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Pavla Landiss
University of Missouri-St. Louis, pavla@landiss.com

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NORDIC COOPERATION IN THE POST-COLD WAR ERA: A CASE STUDY OF INSTITUTIONAL PERSISTENCE

Pavla Landiss

M.A. in Political Science, University of Missouri-St. Louis, 2007

A Dissertation Submitted to the Graduate School at the University of Missouri-St. Louis in Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy in Political Science

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Advisory Committee:
J. Martin Rochester, Ph.D. (Chair)
David B. Robertson, Ph.D.
G. Eduardo Silva, Ph.D.
Kenneth P. Thomas, Ph.D.
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ABSTRACT

Long-lasting cooperation among a group of nations is rare. Scholars of different traditions disagree about the possibilities of sustained cooperation. This dissertation focuses on the cooperation among the five nations in Northern Europe sometimes referred to as the Nordics – Denmark, Finland, Iceland, Norway and Sweden, plus three self-governing territories – the Faroe Islands, Greenland, and the Åland Islands. They form a distinct region with a common identity and a well developed cooperation. The overarching norm is cooperation based on respect for national sovereignty. It started emerging in the 19th century, but was formalized first after World War II. The end of the Cold War and the membership of three of these countries in the EU were seen as reasons for weakening or even the demise of the Nordic cooperation. “Why do Nordic institutions persist despite changes in the international system?” is the central research question to be explored in this dissertation.

This dissertation employs the lens of historical institutionalism. Path dependency provides a convincing explanation for the persistence of Nordic institutions. The logic of consequences and the logic of appropriateness complement each other and help us obtain a richer, more nuanced picture. However, path dependency may simply mean that relevant actors do nothing, which may result in sheer inertia. The concept of learning complements well the rather automatic nature of the path dependency mechanism. In the Nordic case, the new momentum of the cooperation results from revised goals and adjustments in procedures, even though the institutions continue to be strongly influenced by historical legacies. This study also argues that human agency should not be
underestimated. In particular, social scientists and policy experts function as an epistemic community and help shape the institutions. Potential threats to this cooperation are also assessed.
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CHAPTER 1: INTRODUCTION

Today’s complex international system requires international cooperation. Yet, effective cooperation remains difficult to achieve, and deep disagreements continue to exist among scholars of different traditions about the prospects for successful and long-lasting cooperation among nations. This study focuses on the cooperation among the five nations in Northern Europe sometimes referred to as the Nordics – Denmark, Finland, Iceland, Norway and Sweden, plus three self-governing territories – the Faroe Islands, Greenland, and the Åland Islands. They form a region with a well-developed cooperation. The cooperation has roots in the 19th century, but most of the Nordic institutions developed in the context of the bi-polar international system, which no longer exists. Three of the Nordics – Denmark, Finland, and Sweden – have joined the EU. Yet, the Nordic cooperation has not disappeared, and many institutions continue to thrive and even expand. These institutions, some of which have existed for more than half a century, provide a unique opportunity for a study of institutional persistence. “Why do Nordic institutions persist despite changes in the international system?” is the central research question to be explored in this dissertation.

Norden and the Nordics

Norden simply means the North in Danish, Norwegian and Swedish and refers to the five members of the Nordic Council. It is also a mental construct that implies commonality of interests, cultural affinity, and a common Nordic identity in addition to
the individual national identities. Sometimes the same region is referred to as Scandinavia. Strictly speaking, these two terms, *Norden* and *Scandinavia*, are not coterminous. As, for example, Wæver (1992a) explains, *Norden* is “preferred” because *Scandinavia* does not include Finland and Iceland, and *Northern Europe* is a broader term that actually includes parts of Germany, Scotland, Poland, Estonia, Lithuania, Latvia, and parts of Russia. However, in English, the terms *Norden* and *Scandinavia* or *Nordic* and *Scandinavian* are often used interchangeably, even by Nordic scholars, for example Mouritzen (1995, 17).

The Nordic countries, including Greenland, have a total area of 3.5 million square kilometers (approximately 1.3 million square miles). However, in terms of population, the whole region has just 25 million inhabitants. The population of individual countries is as follows: Denmark 5.5 million, Finland 5.3 million, Norway 4.9 million, Sweden 9.3 million, and Iceland slightly over 300 thousand (*Nordic Statistical Yearbook* 2010).

These countries share not only their location in the North of Europe but also similar cultures and political systems. All of them are small parliamentary democracies, highly egalitarian, with well-developed welfare systems, high gross national income (GNI) per capita and high standards of living. In all of them, the levels of women’s participation in political life are high (Archer 1996; Mouritzen 1995; Christiansen 2000; Ervasti, Fridberg, Hjerm, and Ringdal 2008). They have a common religious tradition – the tradition of Lutheranism, which is still important even though the Nordic countries have been highly secularized (Østergård 1997; Sørensen 1997; Wiberg 2000; Allardt 2006; Ervasti 2008).

Similarity of languages also helps bind the region together, even though the linguistic
proximity is only partial. Danish, Norwegian,\(^1\) Swedish, and Icelandic are all North Germanic languages. Danish, Norwegian and Swedish are close enough so that their speakers can easily understand each other, especially in the written form. Oral communication requires more effort and experience. Icelandic has retained its ancient character and is very difficult to understand by others. Finnish is not an Indo-European language; it a Uralic language.\(^2\) Even though Swedish is taught in Finnish schools, it is a foreign language for many Finns. However, it has been often observed that translations between Finnish and the other Scandinavian languages are easy because, thanks to the common history and cultural similarity, most concepts and phrases have precise equivalents in the other language (Hildén 2005, 77; cf. Allardt 2006, 50; Nordiska språkrådet 2002, n. p.). The business at the Nordic Council and the Nordic Council of Ministers is conducted primarily in Swedish, Danish and Norwegian. Finnish or Icelandic delegates often speak either Swedish or Danish, but if they choose to use their own languages, their presentations are translated, usually into Swedish or Danish. Some Nordic Council materials are also published in Finnish, Icelandic and English, in addition to one or more of the three Scandinavian languages.

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\(^1\) Norway actually has two Norwegian languages – so called bokmål and nynorsk, both official.

\(^2\) In addition, there are other languages in the region spoken by small groups of people. Faroese, spoken by the inhabitants of the Faroe Islands, is also a Nordic language. It is similar to Icelandic. The Sami (formerly known as Lapps) and Greenlanders (the majority of whom are Inuit) have different cultures and languages. The Sami languages also belong to the Uralic family. In Finland, both Finnish and Swedish are official languages. The rights of the Swedish speakers are protected by the constitution. The inhabitants of the Åland Islands, an autonomous territory formally belonging to Finland, speak Swedish. Finnish-speaking minorities also live in Sweden and in Northern Norway.
Nordic Cooperation

*Nordic cooperation* is an umbrella term for the system of norms, international organizations, treaties and agreements, formal and informal contacts, and common projects and customary procedures. Large institutional arrangements based on norms and principles are sometimes also called *meta-regimes* (Aggarwal 1998). The overarching norm is cooperation based on respect for national sovereignty. It started emerging in the 19th century, but was formalized first after World War II (see below).

The cooperation centers on two international organizations – the Nordic Council and the Nordic Council of Ministers, and an international treaty – The Treaty of Co-operation between Denmark, Finland, Iceland, Norway and Sweden, commonly referred to as the Helsinki Treaty. The Nordic Council, founded in 1952, is a forum for parliamentarians. Its members are elected by the respective national parliaments. At the session each fall, the Nordic Council makes recommendations regarding Nordic issues the governments should implement. The Nordic Council of Ministers, founded in 1971, is the official body for the cooperation of the Nordic governments. It is actually a group of councils of ministers based on their portfolios. The ministers hold several meetings a year, depending on issues to be addressed. Some ministerial meetings are also held outside the Nordic Council of Ministers. The Treaty of Co-operation between Denmark, Finland, Iceland, Norway and Sweden, commonly referred to as the Helsinki Treaty, was signed on 23

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3 The texts of the Helsinki Treaty in the original languages as well as in English are available on the Nordic Council and Nordic Council of Ministers= web site Norden.org. International treaties, including those between Nordic countries, can also be found in the
March, 1962, and entered into force on 1 July, 1962. The Helsinki Treaty is often described as a codification of the goals and methods of cooperation among the signatories (F. Wendt 1981, 39; C. Wiklund 2000a, 102). The Helsinki Treaty is a soft law, but many specific treaties between the members concluded at the recommendations by the Nordic Council are binding. Also, many authors have pointed out that the Helsinki Treaty provisions are often invoked and treated as morally binding (Andrén 1967; F. Wendt 1981).

The materials of the Nordic Council and Nordic Council of Ministers classify as Nordic any institution or project that involves two or more Nordic countries. There are well over a hundred Nordic institutions located throughout the region. This number is in addition to the two councils and their secretariats and committees. Many of these institutions are fully or partially funded from the Nordic Council of Ministers’ budget, which receives funds from the participating governments according to a special key based on the population and GNP of individual countries. Swedish political scientist Nils Andrén (1967) likened the system to a “cobweb.” In recent literature on regimes/institutions the term nested institutions, used for example by Aggarwal (1998) and Young (1999), describes these institutional arrangements quite well.

The most visible accomplishments of the cooperation were in the spheres of culture and social issues, i. e. in low politics. Important examples were a passport union (1952), free labor market (1954), and the Nordic citizens’ access to social benefits anywhere in the region (1955). Among other achievements were harmonization of education,

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4 All five Nordic countries are now included in the Schengen area.
5 Today some Nordic institutions are eclipsed by EU institutions.
recognition of diplomas and professional licenses, and harmonization of labor laws.

International politics issues were mostly excluded from the agenda. However, there was one area where cooperation was regular – in international organizations. In the United Nations, the Nordics often voted as a bloc and their visibility exceeded that of countries of a comparable size. Thomas writes about “concerted action [by the Nordics] in nominating a Nordic national to senior positions” (1996, 29). At the Kennedy Round in 1967, Nordic countries were represented by a single joint delegation (General Agreement on Tariffs and Trade 1967). Coordination and joint actions existed also at UNESCO, ILO, and the Council of Europe (Götz and Haggrén 2009a).

Security issues were not included and were essentially taboo because they would raise suspicion of the Soviet Union and thus have a negative impact, particularly on Finland. Yet, Nordic cooperation during the Cold War is often viewed as a security arrangement and/or a useful foreign policy tool (Brundtland 1966 and 1986; Miljan 1977; Sundelius 1982; Mouritzen 1995 and 2001; Neumann 1994 and 1996; Wæver 1992a; Wiberg and Wæver 1992; Solheim 1994; Jervell 2009b). In a nutshell, it meant that while individual members of the Nordic Council pursued their own policies, there was an underlying common principle – keeping the tensions resulting from the rivalry between the U.S. and the Soviet Union as low as possible. The informal and largely secret security regime is usually referred to as the Nordic Balance and mainly associated with Arne Olav

6 Many scholars view “playing the Nordic card” as a successful tool of the diplomacy used by the Nordic countries vis-B-vis the Soviet Union or in NATO (Mouritzen 1995, 13). However, not everybody agrees. Østergård (1997) points out that “the fortunate history [of the Nordic countries] owes much less to homegrown ‘Nordic’ merits than is normally assumed. The primary reason lies in the optimal geographical situation of the Nordic countries” (21). However, if we consider the high levels of prosperity and freedom Finland was able to maintain compared to the Soviet satellites in Central and Eastern Europe, Nordic diplomacy and cooperation deserve some credit.
Bruntland (1966 and 1986). In addition, while security was ostensibly excluded from the official cooperation, informal collaboration on security and defense issues existed. Some aspects of this cooperation became known only after the end of the Cold War (Tunander 1999; Sundelius 2006).

The end of the Cold War was viewed as a reason for possible weakening or even the end of the Nordic cooperation. The economic crisis in Sweden in the early 1990s contributed to the feelings that the welfare state, an essential part of the idea of Norden, was outdated and could no longer guarantee prosperity. The right-wing Moderate Party that came to power in Sweden in 1991 was promoting a neo-liberal orientation and a departure from the so-called Nordic model. Sweden and Finland became members of the EU. However, the pessimism and uncertainty were only temporary. There have been changes in the structure and objectives of the Nordic Council (G. Larsen 1998, 2000). As I will show in Chapter 5, the Nordic budget has been steadily increasing, new institutions have been created, the interest in some traditional areas of cooperation has been revived and new areas have emerged. Clearly, the cooperation in the region is far from obsolete.

The Puzzle

The end of the Cold War was viewed as a reason for possible weakening or even the end of the Nordic cooperation. The continued existence of not only the Nordic Council but also the existence of the institutions facilitated by it during the second half of the twentieth century clearly defies the realist expectations. Realism is pessimistic about international cooperation and the role of institutions in international politics. The
anarchical nature of the international system encourages competition and is prone to
cflict. States are rational egoists, and when they do cooperate, they worry not only that
their partners may cheat, but also that their partners’ relative gains may exceed their own.
They are also concerned that today’s partners may turn into enemies in the future (Grieco
1988). Realists see states as “like units” (Waltz 1979), which means that their domestic
institutions and politics do not influence their behavior. Waltz (1979) also emphasizes the
role of the international system as a constraint of the states’ behavior. The Nordic
cooperation was undoubtedly at least partly shaped by the Cold War conditions. The bi-
polar system of the East-West competition does not exist any more, but Norden has not
disappeared. If the Nordic Council were just a cover for security arrangements, there
would be little reason for it to continue to exist. Mearsheimer (1990, 2001) predicted that
after the Cold War, Europe would go back to balance of power rivalries. If Mearsheimer
had been right, the Nordic countries, too, would have abandoned their cooperation, which
has not happened.

Regarding persistence of cooperation, Mearsheimer sums up the realist beliefs. He
writes, “Although realism envisions a world that is fundamentally competitive,
cooperation between states does occur. It is sometimes difficult to achieve, however, and
always difficult to sustain” (2005 [1994/95], 63; italics added). The Nordic cooperation
has been sustained and possibly even expanded. According to the realists, “Genuine
peace, or a world where states do not compete for power, is not likely” (Mearsheimer
2005 [1994/95], 63). While the countries in the region pursue independent foreign
policies, competition for power in the region is not apparent. For example, Clive Archer
(1996) has examined the “Nordic area” and found that it indeed is a “zone of peace.”
Swedish scholar Bengt Sundelius (2002) refers to the popular image of Norden as “a safe home port inhabited by the closest relatives” (n. p.; translation is mine). Agreements in the area of social services, such as the agreement concerning portability of social benefits, are flexible. There does not seem to be any concern about immediate reciprocity. The concern about the intentions of other members of the group does not preclude their working together to solve common problems and maintain institutions that facilitate their cooperation. In addition, realists often see cooperation as a tool of the stronger nations to achieve their goals or to put it more bluntly, to dictate their will to the weaker ones. Generally, the members of the Nordic Council are portrayed as equal, even though the initiative for creating institutions often came from either Denmark or Sweden. Sweden is sometimes viewed as a regional leader. For example, Mouritzen (2001) uses a metaphor, quite fitting for the geographic location. He describes Nordicity as a snowball, which needs a hard center, and then it can start rolling and picking up more snow, very much like Karl Deutsch described the formation of security communities. According to Mouritzen, in the case of Norden, Sweden represents the core surrounded by the rest. But there is no evidence that Sweden has benefitted more from the cooperation than the other members.

Neoliberal explanations perform somewhat better. The network of institutions created in the region supports liberal institutionalists’ optimism. However, liberal institutionalists focus primarily on the economic sphere, which is not the strongest element in the case of the Nordics. Also, with the end of the Cold War and the emergence of the European Economic Community and subsequently the EU, the interests of the Nordic countries changed. It could be expected that especially the membership of Denmark, Finland and
Sweden in the EU would render the Nordic cooperation unattractive for its members. Today, some Nordic and EU institutions overlap. However, the privileges of Nordic citizens within the region continue to exceed those of other members.⁷ New agreements have been reached recently to further ease bureaucratic rules regarding the movement of people and businesses within region. In other words, the persistence of the institutional arrangements exceeds expectations according to interest-based explanations. Another point liberals make is that liberal democracies do not go to war with other liberal democracies (Doyle 1983). The Nordic cooperation, however, goes beyond absence of armed conflict. Thus the idea of democratic peace provides only partial explanation.

Knowledge-based approaches such as constructivism and critical theory can account for the role of the Nordic ideology and common identity in facilitating the cooperation. Constructivists view identities as socially constructed (e. g. A. Wendt 1992, 1994, and 1995). *Norden* clearly is a mental construct that appeared during the Cold War era. However, “transformation” of interests and identities in a new context is possible. As A. Wendt points out, “the social world is constituted by shared meanings and significations, which are manipulable by rhetorical practices” (A. Wendt 1994, 391). One often quoted article written after the end of the Cold War states that “Norden is dead” (Jukarainen 1999) and is being replaced by a new construct. While there are undoubtedly many changes in the content of *Norden*, it is far from dead. And despite the fact that three

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⁷ For example, Norwegians can reside in Denmark without a permit, but EU citizens who do not have a job in Denmark cannot. For Nordic citizens, the right to reside or buy property in another Nordic country is not tied to employment. Nordic citizens can vote in local elections without a waiting period. According to the Helsinki Treaty, Nordic citizens residing in another Nordic country get the same social benefits as the citizens of that country. This information is based on the official web site of Nordic cooperation <http://www.norden.org> July 12, 2009.
countries among the Nordics are members of the EU, the EU discourse has not displaced the idea of Nordic countries as a distinct community. A number of scholarly books on the topic have been written recently, universities have departments whose names contain the word “Nordic” and offer programs in Nordic history, culture and politics. Recent studies have found that the region still is distinct from the rest of Europe (e.g. Ervasti 2008; Christiansen et al. 2006). The persistence of Nordic cooperation remains puzzling.

My Theoretical Approach

In the not so distant past, IR scholars were placing their work either within the Realist or the Liberal school of thought. However, more recently we have seen attempts to avoid the dichotomy. Historical institutionalism that I am using can be seen as a synthesis of different approaches. By viewing institutions as relatively durable, it is closer to the liberal tradition. However, it does not ignore the influence of the international system and power arrangements within it but acknowledges the importance of historical and cultural factors that need to be taken into account to explain complex political phenomena. Within a midrange theory it attempts to uncover patterns that help us understand institutions, which are defined as “the formal and informal procedures, routines, norms and conventions embedded in the organizational structure of a polity” (Hall and Taylor 1996, 938). These various types of institutions are often tied to formal organizations that generate and/or promote them (938). The diachronic approach employed by historical institutionalists often elucidates outcomes for which cross-sectional studies cannot account.
In my study I focus on the factors that contribute to institutional persistence. I will use particularly two concepts – *path dependency* and *learning*. Path dependency is central to historical institutionalism and is used mainly to explain resistance to change. There are several strands, depending on whether researchers use primarily *the logic of consequences* or *the logic of appropriateness*, which roughly correspond to a *rationalist* (utilitarian and functionalist) or a *constructivist* (legitimation) lens (Mahoney 2000). These two approaches are sometimes also labeled the *calculus* and the *cultural* approach respectively. I will assess both possibilities, but separating interests and ideas/identities is not always possible. Traditionally, students have been warned against multicollinearity. However, as Steinmo (2008) points out, real life situations often make it impossible to determine precisely the impact of related variables. *Learning* is also used by a number of scholars within this perspective (Hall 1993; Peters 2008). It deals with the ability of institutional structures and actors to respond to change and adjust their goals and procedures. Even though institutions continue to be strongly influenced by the historical legacies that shaped them at the beginning, flexibility improves their persistence and relevance in a new context.

**The Organization of My Research**

My research will have three major parts. In the first part, I will study the historical roots of the current cooperation, in other words trace the origins of the special relationship among the Nordic countries and friendly cooperation based on mutual respect for national sovereignty, which gradually became the norm guiding their contacts
(Chapter 3). I will also present the more formalized, multifaceted institutional arrangement that emerged after World War II (Chapter 4).

The second part of my research focuses on the most recent development. By recent I mean the last two decades, since the end of the Cold War. I will present evidence that the cooperation not only continues to exist but in fact enjoys a renaissance, which can be partly attributed to its flexibility (Chapter 5).

Finally, in the third part, I will use the lens of historical institutionalism to assess how well it can explain the persistence of Nordic cooperation. I will especially focus on path dependency and learning. I will also discuss the role of interests on the one hand, and ideas, identity, and legitimacy on the other hand. I will also present alternative scenarios – i.e. discuss conditions under which the cooperation may demise or slowly dissolve or lose its legitimacy (Chapter 6).
CHAPTER 2: LITERATURE REVIEW

Traditional realist literature deals with cooperation in a limited way. Realists focus on security and maintaining balance of power, which are considered the “real issues.” More recently, the hegemonic stability theory posits that institutions are designed by the hegemon as tools for exercising its hegemonic power and realizing its own interests. Nevertheless, some authors coming from the realist tradition depart from the mainstream focus and contribute to the research of international institutions as well. And we must not forget that an important contribution by the realist theory is the emphasis on national interest and power relations behind international institutions (Simmons and Martin 2002). However, Simmons and Martin also raise an important question, “[I]f governments are not likely to be constrained by the rules to which they agree, why they spend time and other resources negotiating them in the first place?” (195). Most literature on international institutions would thus broadly fall under the umbrella of liberalism, even though approaches drawing on realism and liberalism as well as constructivism are becoming more and more usual.

Regional Integration Literature

Since the Nordic countries form a region, the literature on regional integration is one possible source. Rosamond (2000) provides an excellent overview of different strands of integration theory. However, the usefulness of the integration literature is limited. Some of the literature is rather dated, and perhaps most importantly, many authors focus
narrowly on European unification. In fact, Rosamond even defines integration theory as follows: “Integration theory is – or perhaps more accurately, was – the theoretical wing of the EU studies movement” (2000, 1). Nevertheless, several of these theories offer insights applicable to the study of the Nordic region.

There were three early approaches – federalism, functionalism and transactionalism. I will present them briefly because they contain roots of more recent strands of study of institutions and international organizations.

Federalism is the least relevant theory for the study of the Nordic region because federalists strive to create a new entity, some form of a federal state, perhaps similar to the United States or Germany. With the exception of the mid-19th century, there have been no serious attempts to create a new state in Scandinavia. Sundelius describes the cooperation as follows: “Although there is a firm commitment to joint cooperation and realization of the mutual benefits possible from larger solutions than the national ones, the political leaders of the region have no explicit ambitions and hopes of creating a future Nordic super-state” (1978, 114).

More interesting is functionalism, most often associated with the name of David Mitrany. The onset of World War II meant generally a shift from the pre-war idealism and its optimism to much gloomier realism, represented for example by E. H. Carr (1966[1946]) and Hans Morgenthau (1960[1948]). Mitrany’s work is a continuation of the liberal tradition, but in a different vein. Unlike most of the other integration scholars, Mitrany was not trying to design a plan for European unification. As Rosamond points out, Mitrany belonged to the social scientists who were concerned with “conditions for ending human conflict” (2000, 32). However, unlike the inter-war idealist political
thinkers, Mitrany (1966 [1943]) was not trying to formulate what an ideal international system should be like. He focused on human needs and institutions that would perform the functions necessary for fulfilling these needs. His idea was to start with areas that were nonpolitical. He also emphasized rationality in designing international institutions. And Mitrany also believed that people’s loyalties will gradually shift from the nation-state to transnational institutions and that the likelihood of conflict will be diminished.

According to Rosamond, Mitrany has “a largely technocratic vision of human governance” (2000, 33). In After Hegemony, Keohane called Mitrany and other functionalists “naive about power and conflict” (1984, 7) and criticized their “excessively optimistic assumptions about the role of ideals in world politics, or about the ability of statesmen to learn what they consider the ‘right lessons’” (8). However, functionalism is a predecessor of neofunctionalism and more importantly, new institutionalism or institutionalisms discussed in more detail later in this section. The Nordic region is a region where virtually nobody would predict an armed conflict in the foreseeable future. In that sense it confirms Mitrany’s teaching, at least to a degree. However, we could ask whether peaceful coexistence since 1814 did not contribute to the creation of the Nordic institutions in the post-World War II era. The two aspects – peacefulness and a network of institutions in the region – seem to be mutually reinforcing. On the other hand, there is no evidence that common Nordic identity has replaced or weakened individual national identities.

Another interesting perspective in the early literature on integration is the transactionalist (sometimes also called the communications or the pluralist) approach, which appeared in the 1950s and clearly has relevance for the study of Nordic
cooperation. It is associated with the name of Karl Deutsch, who led the research project resulting in the publication of *Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience* in the 1950s. The main focus of the project was to study the conditions for “elimination of war” (1968, vii).

Deutsch (1968 [1956]) studies “security communities” defined as groups of people who solve problems peacefully through institutions and peaceful practices and who have a “sense of community” derived from shared values and expectations (5). He recognizes two types of security communities – “amalgamated” and “pluralistic” (7).

“Amalgamated” communities result from “the formal merger of two or more previously independent units, with some type of a common government” while “the pluralistic security community ... retains the legal independence of separate governments” (6).

According to Deutsch, the pluralistic type is less prone to tensions and conflict. He actually uses Norway and Sweden as an example of a “pluralistic security community” (7). More recently, Clive Archer (1996) examined the question whether the Nordics form a “zone of peace” and concluded that they do. Some of his criteria are the same as Deutsch’s. Deutsch’s interest in the “sense of community” and shared values is a precursor of current interest in identity, the connection between culture and politics and between domestic issues and international relations. However, transactionalism is mainly focused on security. Questions such as persistence or adjustment of institutions in a changing world are not addressed. Also as was typical for that period, international institutions are primarily understood as international organizations.

Yet another approach to integration is neofunctionalism, associated with the name of Ernst Haas. Neofunctionalism views “converging economic goals” as the driving force
behind integration, which is an incremental process (E. Haas 1968). The central concept of neofunctionalism is “spillover,” the idea that a deepening integration in one sector will lead to integration in other sectors, which in turn, will lead to the need for regulatory institutions at a supranational, i.e. European level. As Rosamond points out, Haas assumed that integration will be driven by “purposeful actors pursuing their self-interest,” and thus it would be less automatic than Mitrany’s purely technocratic vision (Rosamond 2000, 55). Rosamond also observes that neofunctionalism is closely connected to the 1950s and is very close to the strategies of the founding fathers of the EEC, Schuman and Monet. Later, Haas (1975) himself rejected neofunctionalism in his publication *The Obsolescence of the Integration Theory* in favor of then popular *complex interdependence*. Nevertheless, Rosamond observes: “While there may not be many ‘fundamentalist’ neofunctionalists around in contemporary political science, there are certainly many who use elements of neofunctionalist logic and neofunctionalist vocabulary in their analysis” (2000, 50). Choi and Caporaso (2002) make a similar point when they talk about functionalism’s “continuous lineage to contemporary theories” (486).

The idea of *spillover* could possibly explain some elements of Nordic cooperation, even though the principle may work in a slightly different way than described by Haas (1968). The Nordic cooperation has always been much stronger in the areas of culture, education, and social legislation than in the economic sphere. The general idea of starting small, possibly in apolitical areas, which appears in both functionalist and neofunctionalist writings, can be supported by the historical development of Nordic cooperation, even though the process has been slow and incremental. As I will show in
the historical synopsis, cooperation among professional groups, such as lawyers, teachers and others, started in the late nineteenth century.

More recently, another perspective has appeared in the studies of the EU – intergovernmentalism. It started as criticism of neofunctionalism and its lack of attention to the role of states. From the realist perspective, scholars such as Hoffmann (1966) argue that the nation-state is more resilient than functionalists anticipated. The European integration can be partly seen as a way to limit the influence of the U.S. Another important strand of this perspective is liberal intergovernmentalism, associated primarily with the name of Andrew Moravcsik (1993, 1998). Moravcsik writes that European integration has been driven by “three factors – patterns of commercial advantage, the relative bargaining power of important governments, and the incentives to enhance the credibility of interstate commitments” (1998, 3). Liberal intergovernmentalism thus puts emphasis on national preferences and choices by leaders at crucial moments in the integration process. Many political scientists observe that most of the scholarly discussions among EU scholars take place between two groups, institutionalists, who follow in the functionalist/neofunctionalist tradition, and intergovernmentalists (Garrett and Tsebelis 1996; Puchala 1999; Rosamond 2000; McCormick 2004). However, for example Puchala also laments that “the manner in which the debate is being engaged, with contenders jumping upon each other’s attributed weaknesses while disregarding one another’s insights, is less than constructive” (1999, 318). Choi and Caporaso (2001) also point out that Moravcsik’s perspective is not without influences of functionalism, for example when Moravcsik writes about how interests are constructed and how they influence regional integration (Choi and Caporaso 2001, 486).
It is clear that in the Nordic region, the nation-states have been pooling sovereignty but not giving up their right to make individual decisions when they want to. In that sense, intergovernmentalists are right to remind us that states continue to play a pivotal role. At the first sight, intergovernmentalism looks like a perspective that might be relevant to my research. However, intergovernmentalism focuses rather narrowly on explanations how the EU has evolved and how governments of the member states negotiate than how existing institutions persist or change in the changing international arena or how institutions shape behavior. As I will explain below, historical institutionalism provides a better theoretical framework for my study of institutional persistence.

**International Organization Literature**

Since Nordic cooperation in the post-World War II period has been facilitated by two international organizations – the Nordic Council and the Nordic Council of Ministers – another set of literature pertinent to my study is the literature on international organizations (IOs), more specifically Intergovernmental Organizations (IGOs), which are defined as “organizations created by three or more governments, based on a formal agreement, and having some permanent secretariat or headquarters” (Cupitt, Whitlock, and Whitlock 2001, 51).

Interest in the study of international organizations (IOs) has been going through different phases. Immediately after World War II, international institutions meant formal international organizations. By the 1970s the interest in IOs decreased considerably, with
more interest focused on the international regimes (institutions) rather than formal IOs (Rochester 1986; Simmons and Martin 2002). According to Hasenclever, Mayer, and Rittberger (1997), most regime scholars agree that regimes and international organizations are not coterminous, “even though in many cases regimes will be accompanied by organizations designed or employed to support them in various ways” (10). However, the authors also point out that some scholars, for example Kratochwil and Ruggie, have “warned against artificially separating the scholarly study of regimes from research on formal international organizations” (Hasenclever, Mayer, and Rittberger 1997, 11). In the Handbook of International Relations, Simmons and Martin’s (2002) chapter is titled “International Organizations and Institutions”, also indicating that the two are intertwined. Hall and Taylor (1996) also tell us that institutions, defined as “the formal and informal procedures, routines, norms and conventions,” are often tied to formal organizations, which generate and/or promote them (938).

While the volume of literature on international institutions has been growing significantly in the last three decades, the scholarly interest in IOs has been lagging behind but has not disappeared. However, the existence and role of IOs’ cannot be ignored. As Abbot and Snidal (2001) write, “Whereas formal IOs have been seriously neglected in the theoretical study of international regimes, they have played a major role in many, if not most instances of interstate collaboration” (38). Abbott and Snidal identify two main reasons why states prefer to cooperate through formal international organizations – “centralization and independence” (2001, 10). They also talk about some key functions of IOs – “facilitating the negotiation and implementation of agreements, resolving disputes, managing conflicts, carrying out operational activities like technical
Simmons and Martin (2002) point out that IOs “have agency” (193), in other words IOs are themselves actors who can influence the outcomes in international politics. Also, E. Haas (1990) maintains that IOs play an important role in spreading ideas, which can shape the way states think about issues and perceive their own interests.

The Nordic Council has been a consultative body that makes recommendations that are often followed but are not legally binding. It does not have a large bureaucratic system (Andrén 1967). However, the cooperation in the region cannot be imagined without the Nordic Council and the Council of Ministers. They provide venues and structures and shape ideas and symbolize the very concept of Nordicity. Contrary to the Realist position that international institutions are usually short lived (Grieco 1988), the Nordic Council shows a remarkable durability. Institutionalist explanations seem to be more plausible. IGOs survive as long as they continue to reduce uncertainty and transaction costs. At the same time, politicians often want to preserve traditions and uphold international commitments (Cuppitt, Whitlock, and Whitlock 2001, 48). Even though the focus of my study is on the cooperation itself, the IOs play a pivotal role. However, as I will show, Nordic cooperation is much broader and more complex than the two IOs.

**The Literature on International Regimes**

The regime literature appeared in the 1970s to account for different forms of international governance that was not satisfactorily explained by the dominant realist
paradigm. It also meant a departure from the study of formal international organizations to the study of the actual institutions. Regimes are a special form of international institutions. The term itself is attributed to John Gerald Ruggie (Hasenclever, Mayer, and Rittberger 1997). A number of different definitions exist, and the concept has been criticized for its vagueness (Strange 1983). A frequently quoted definition is the so called consensus definition formulated by Stephen Krasner (1983), which states:

Regimes can be defined as sets of implicit or explicit principles, norms, rules, and decision-making processes around which actors’ expectations converge in a given area of international relations. Principles are beliefs of fact, causation, and rectitude. Norms are standards of behavior defined in terms of rights and obligations. Rules are specific prescriptions and proscriptions for action. Decision-making procedures are prevailing practices for making and implementing collective choice. (Krasner 1983, 2)

One of the seminal works in regime literature is Keohane’s *After Hegemony*. Keohane (1984) uses the term international regimes, but he describes his perspective as “institutionalism.” As Simmons and Martin point out, by the 1990s, the term institutions, defined as “sets of rules meant to govern international behavior” (2002, 194), has become more frequently used instead of regimes. However, drawing a line between regime theory and institutionalism seems to be virtually impossible. In fact, Jönsson and Tallberg (2008) treat the regime literature as an example of institutionalism in IR, and so does Peters (2005).

A very useful and comprehensive account of regimes/institutions that still uses the term regimes is *Theories of International Regimes* by Hasenclever, Mayer, and Rittberger
Hasenclever, Mayer, and Rittberger (1997) discuss several theories that explain why international regimes emerge. Based on the main explanatory variable, they divide the theoretical approaches into “three schools of thought”: “Power-Based” (realist), “Interest-Based” (neoliberal), and “Knowledge-Based” (cognitivist). They also identify and discuss several major strands within each of these theories. However, Hasenclever, Mayer, and Rittberger conclude their study by supporting the view, expressed for example by Kenneth Bolding, that “none of these schools of thought alone is capable of capturing all essential dimensions of regimes” and argue in favor of a “synthesis” of these approaches as far as possible or at least for a “fruitful coexistence” of competing approaches (Hasenclever, Mayer, and Rittberger 1997, 211-224). In a similar vein, I will argue that the Nordic cooperation defies simple explanations based on any single paradigm.

Hasenclever, Mayer, and Rittberger (1997) focus mainly on theoretical explanations of emergence, but they also address issues of resilience, which are pertinent to my research. The term they use to describe persistence or longevity of institutions is robustness. While the power-based approaches view institutions as short-lived and prone to demise due to changes in the international arena, interest-based and knowledge-based perspectives are more optimistic. However, scholars within these perspectives disagree on the reasons why institutions persist. Hasenclever, Mayer, and Rittberger describe the differences as follows:

While rationalists point to various cost factors, particularly those associated with a damaged reputation as a cooperation partner and with the (re-)creation of international institutions, strong cognitivists bring in a
sense of community, which apparently operates at the international level as well as develop fascinating, but so far largely speculative arguments about the way in which cooperation stabilizes itself through the processes of identity (re-)formation that it triggers. (1997, 221)

While these approaches may be hard to synthesize, Hasenclever, Mayer and Rittberger point out that neither explanation by itself fully accounts for institutional persistence.

**The Literature on the New Institutionalisms**

The new institutionalism is a relatively new approach in IR. It is a broad theoretical perspective, widely used in other sub-fields of political science, such as American politics, studies of domestic political systems in other countries, comparative politics, as well as in sociology and economy. Of course, interest in political institutions is not new. March and Olsen, who are often credited with coining the term, talk about a “resurgence of concern with institutions” (1984, 734) and a return to the roots of political science and social sciences in general. “New” in this case is used to describe the study of institutions which started as a critical reaction to behavioralism of the 1950s and 60s (Robertson 1993; Hall and Taylor 1996; Immergut 1998; Peters [1999]2012) as opposed to older studies of formal institutions. In IR, perhaps the early studies of IOs could be compared to the traditional (old) institutionalism (Jönsson and Tallberg 2008). New institutionalism has several quite distinct strands; thus political scientists often talk about new institutionalisms rather than new institutionalism. Political scientists usually distinguish three major forms – rational choice institutionalism, historical institutionalism, and
sociological institutionalism (Hall and Taylor 1996; Thelen 1999). Jönsson and Tallberg (2008) in their chapter on historical institutionalism in IR use the term normative institutionalism instead of sociological institutionalism. Immergut (1998) uses “organization theory,” which has common features with what other authors label normative or sociological institutionalism. In the terminology used by Hasenclever, Mayer, and Rittberger (1996 and 1997), rational choice institutionalism largely overlaps with the interest-based approaches; sociological (or normative) institutionalism shares major characteristics with knowledge-based approaches. Historical institutionalism contains elements of all three – it includes power, interests, ideas and cultural elements and does not necessarily consider one variable more important than others.

Keohane’s (1984) treatise of regimes in After Hegemony is an example of rational choice institutionalism. Keohane draws on earlier functionalist approaches. His main argument is that “cooperation can under some conditions develop on the basis of complementary interests, and that institutions, broadly defined, affect the patterns of cooperation that emerge” (9). He shares the Realists’ view that states are “rational egoists” (67). He uses various rational choice models such as iterated Prisoner’s Dilemma, theories of collective action, and theories of market failure to explain the emergence and functioning of regimes. Keohane also writes that building institutions can be difficult because it is not easy for states to recognize common interests. However, “institutions are often worth constructing because their presence or absence may determine whether governments can cooperate effectively for common ends” (247). He also argues that it is important to maintain existing institutions because it would be more costly to built new ones. Following this logic, the cooperation in Scandinavia continues
to exist either because it is still in the interest of the member states or simply to avoid costs involved in building new institutions. Especially the first alternative is highly plausible. However, Keohane himself in his later works acknowledges that his focus on interests and economic aspects was rather narrow. In his more recent book, *Power and Governance in a Partially Globalized World*, Keohane (2002) reflects on his intellectual journey. Among other things, he discusses several aspects of international cooperation that did not get appropriate attention in *After Hegemony*. Among them are the importance of domestic politics, the role of moral dimensions of international cooperation (quite important in cases of environmental or human rights issues), and the influence of ideas on policy. The role of ideas is discussed in Goldstein and Keohane (1993), “Ideas and Foreign Policy: An Analytical Framework.” The authors posit that “ideas as well as interests have causal weight in explanations of human action” (Goldstein and Keohane 1993, 4).

Normative (sociological) institutionalism focuses on the role of norms and values. It uses the “logic of appropriateness” and looks at “the way institutions constrain individual choice.” In this perspective, institutional change is associated with learning (Peters 2005; Jönsson and Tallberg 2008; Peters 2008). Institutions persist “by socializing new members into the values that define that institution;” in this manner institutions can “replicate themselves” (Peters 2008, 6). According to Jönsson and Tallberg (2008) this perspective per se is not much used as an analytical tool in IR, but the logic of appropriateness appears in the English school and in the writings of constructivists who emphasize that international norms affect the behavior of states and that there is a connection between domestic norms and international norms. The role of international
norms and their “life cycles” is explored for example by Finnemore and Sikkink (1998), who also point out that the dichotomy between rationalist and constructivist approaches is exaggerated. Exploring the role of norms and values as well as learning in the persistence of Nordic cooperation can provide important insights into my research question.

Historical institutionalism shares the interest of the other strands of institutionalism, but it is centered on the idea that “history matters.” A historical perspective enables us to understand phenomena that would otherwise look like enigmas. While some rational choice institutionalists try to construct parsimonious models and find precise mechanisms that lead to predictable political outcomes, historical institutionalists accept that there are contingencies. Nevertheless they try to uncover general patterns and draw lessons about political phenomena and policy outcomes. One of the key concepts that help to explain institutional persistence is path dependency. Thus historical institutionalists do not believe that “the same operative forces will generate the same results everywhere in favor of the view that the effect of such forces will be mediated by the contextual features of a given situation often inherited from the past. … Institutions are seen as relatively persistent features of the historical landscape” (Hall and Taylor 1996, 941). Some authors describe the institutions that are durable as “sticky” (Ikenberry 2001). One often cited example of a historical institutionalist approach in IR is Paul Pierson’s (1996) article on the European integration. On his view, because of path dependency, existing institutions are not easy to change. Many historical institutionalists use the concept of policy feedback to explain persistence of institutions. In the beginning, at the critical juncture, there may be several options. However, once a particular path is adopted, subsequent
choices tend to be along the same path, and alternative paths are becoming less and less likely (Thelen 1999).

In fact, one of the criticisms of path dependency is its determinism (Thelen 1999). In that sense, sheer inertia might play an important role. However, for example Ikenberry (2001) in his book *After Victory* focuses on change after major wars. Major upheavals thus provide impetus to changes in international institutions. Another way to account of change comes from normative institutionalism. As Peters writes, “the logic of normative institutionalism implies that change could come about through adjusting values through experience, and the reactions of individual members of the institution to contradictions between reality and the norms and procedures of that institution” (2008, 12). Leaders of institutions can assess the accomplishments of institutions and possibly redesign the institutions. Learning can account for both persistence and change of institutions.

Institutions socialize new members and thus essentially replicate themselves (6), but they can also adjust their values to changing circumstances and thus evolve. The idea of learning is also compatible with the rational choice institutionalism represented for example by North (1990). However, change in the rational choice view is easier; institutions can redefine their objectives and strategies. For those who emphasize norms and values, change is slower because changing values usually takes time. To sum up, institutionalists attempt to explain both persistence and change, and changes can be both sudden and incremental.

The boundaries among individual strands of institutionalism are sometimes blurred. For example, Thelen repeatedly points out that the trichotomy of the new institutionalisms is sometimes overstated and calls for “striv[ing] for creative
combinations that recognize and attempt to harness the strength of each approach” (1999, 380; cf. Pierson and Skocpol 2002). I plan to do my work along those lines.

Literature on Nordic Cooperation

Literature during the Cold War

A number of works have been written on the Nordic cooperation during the Cold War era, but the scholarly interest, especially outside of the region, was limited. The Nordic cooperation was mostly overshadowed by the literature on European integration. It was treated like “[t]he ugly duckling of regional cooperation” (Sundelius and Wiklund 1979). I will mention only a few major contributors to this literature.

Among historical works on the Nordic Council and Nordic cooperation the best known are those by the Danish historian and politician Frantz Wendt (1959, 1978, and 1981). Wendt was the head of the Danish Norden Association from 1943 to 1953 and the Secretary General of the Danish delegation to the Nordic Council from 1952 to 1975. He was a close collaborator of Hans Hedtoft, a former Danish Prime Minister, who was one of the architects of the Nordic Council (“Frantz Wendt”). Wendt’s books were commissioned by the Nordic Council. The first, *The Nordic Council and co-operation in Scandinavia*, includes a historical overview and covers the early years of the Nordic Council. The second work *Nordisk Råd 1952-1978* (in Danish), published in 1979, covers the first twenty-five years and contains a wealth of empirical material, covering the structure of the institutions, methods of work and political and historical background.
Cooperation in the Nordic Countries: Achievements and Obstacles (1981) is a somewhat adapted English version of the Danish publication. Information on the history of the Nordic cooperative efforts can be also gleaned from the monumental edited work in three volumes, Scandinavia Past and Present (Bukdahl et al. 1959), the explicit purpose of which was spreading information about the Nordic countries abroad. The contributors are leading scholars from the five Nordic countries. Besides presenting the history and cultures of individual countries, several chapters deal with Nordic contacts and cooperation in the 19th and 20th century. A historical overview and an explanation of the creation of the Nordic Council from the point of view of international law can be found in Herlitz’s (1969) Elements of Nordic Public Law. Nils Herlitz was a Swedish politician, a law professor, and one of the founding fathers of the Nordic Council. Another Nordic project is a collection of essays on the Nordic countries in a volume edited by Allardt et al. (1981), titled Nordic Democracy: Ideas, Issues, and Institutions in Politics, Economy, Education, Social and Cultural Affairs o Denmark, Finland, Iceland, Norway, and Sweden. While the individual essays discuss both differences among the countries and similarities, the work presents the countries as one entity and the introduction refers to them as a model.

The special relationship among the Nordic nations was brought to attention of political scientists in the 1950s by Karl Deutsch ([1957]1968) in his seminal work Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience. As I have mentioned earlier, Deutsch focused on war prevention. Through his work, the Nordic region became known as the quintessential security community. The peaceful dissolution of the Union of Sweden-Norway in 1905 is also the
subject of Lindgren’s (1959) book *Norway-Sweden: Union, Disunion, and Scandinavian Integration*. However, Lindgren’s use of the term *integration* is confusing. He writes: “More than any other event, the razing of the frontier forts, completed in August 1906, and certified by German, Austrian, and Dutch colonels, marked the transition from hostility to integration of a pluralistic type” (209). He thus equates the completion of the Norwegian secession without war with integration.  

Another internationally known early work on the Nordic regional cooperation is Etzioni’s (1965 and 2001) comparative study of *political unification*, in which he devotes one chapter to the Nordics. Etzioni’s framework contains elements of all three integration perspectives – federalism, transactionalism and neofunctionalism. Etzioni makes a number of interesting points about the role of culture, frequent contacts and leaders. Like the federalists, he sees creation of a new entity as the ultimate goal, and in this light labels the region as “stagnant.” His work drew international scholarly attention to the region but has been sometimes criticized for relying on secondary sources only, providing limited empirical evidence and not understanding the character and goals of the Nordic case (cf. Sundelius 1978, Sundelius and Wiklund 1979).  

A more comprehensive study from the 1960s is by American political scientist Stanley Anderson (1967). His mainly descriptive approach is typical for the literature on IO of that time, as characterized by Rochester (1986). Anderson focuses on the Nordic Council itself and on the way it works. More interesting in my view are Anderson’s insights into the relationship among the Nordics. Like many observers after him, he notes that the

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8 A recent study of archival materials shows that the possibility of war between the two countries disappeared later than both Deutsch and Lindgren claimed (Ericson 2003). See later in this chapter.
Nordic countries will not go to war against each other but have no intention to unite either. They have chosen to cooperate instead. Anderson also mentions that the cooperation has a long tradition. In particular, he points out similarities and differences between the Nordic Inter-parliamentary Union, formed at the beginning of the twentieth century, and the Nordic Council, founded in 1952. Anderson also describes the so called “Phoenix effect”\(^9\) in Nordic cooperation (Anderson 1967, 119). Essentially, a failure of one Nordic project, such as the Nordic Defence Union, was compensated by the creation of another institution, such as the Nordic Council. On the other hand, Anderson, unlike Deutsch, and Etzioni and the majority of Nordic scholars, does not see cultural affinity as an important factor conducive to Nordic cooperation.

Another North American scholar, Barbara Haskel (1976) examines creation of Nordic institutions by focusing on the cost/benefit calculations of the officials acting on behalf of the states. She uses three cases – the negotiations surrounding the proposed defense union after World War II, the creation of a passport union and a common labor market, and the proposed common market plan. Only the passport union and the common labor market succeeded. Haskel is aware of the extensive web of other private and public institutions but does not include them. Her work thus becomes a story of two major failures. On the other hand, her accounts of negotiations show the interplay of the domestic and international factors, which IR literature often neglects. Haskel writes about multilevel games (1976, 36 and elsewhere) before Putnam (1988) published his famous article on diplomacy as “two level games.”

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\(^9\) The “Phoenix effect” has been frequently quoted by others, for example Gry Larsen (1998) and Laursen and Olesen (2000). It is very similar to the idea of the “zigzag” trajectory of the Nordic cooperation used for example by Sundelius and Wiklund (2000 and 2004).
Gunnar Nielsson (1978), in his chapter in *International Organization: A conceptual approach*, edited by Groom and Taylor (1978), describes a method often used in Nordic cooperation that he calls “the parallel national action process.” The Nordic Council and its organizations facilitate the process, but there are no supranational institutions. Individual members of the group adopt the same laws and regulations through their domestic institutions. What Nielsson describes is one of the ways the Nordics cooperate. It is not clear though to what degree this process could be emulated elsewhere.

Nils Andrén, a prominent Swedish political scientist, has written extensively about the Nordics, their security and their relationship to Europe. In his 1967 article, he points out the difficulty of applying the integration literature, for example by Haas, to the Nordic region. Andrén proposes a looser definition: “Integration is a process which transforms a system in such a manner that the mutual interdependence of its components is increased” (Andrén 1967, 5). He also observes that the goals of the Nordic cooperation are not clearly formulated and describes two basic attitudes toward cooperation. In his words: “Even if stable and declared goals are absent, it seems that there exists a kind of cooperation ideology of both idealistic-emotional and utilitarian-pragmatic significance” (8). The first view emphasizes cultural affinity and common values; the second underscores the fact that together the member states achieve more than they would achieve individually and such solutions “can yield substantial material advantages to all the participating states” (9). He also points out that these categories are used as analytical tools; in practice, we can find elements of both within the same political document. Andrén’s two categories are in fact similar to the knowledge-based (constructivist) and interest-based (neo-liberal) explanations respectively. Both are still important factors
contributing to the persistence of Nordic institutions in today’s Scandinavia. Separating them is not always practical. In the same article Andrén also uses the metaphor of a cobweb to describe Nordic integration. He writes: “The result is something which might be called ‘cobweb integration’ in which the significance and strength of a single thread or mesh is very small but the total result in many fields may be recognized as considerable” (17).

A differing view can be found in Ørvik (1974), who rejects Andrén’s cobweb metaphor and the idea of interdependence. Ørvik emphasizes high-politics, national interests and external factors. To him, international organizations are used by states to pursue their interests. He is also critical of studies that focus narrowly on the structure and proceedings of international organizations such as Nordic Council the way Anderson (1967) does. To study Nordic cooperation, he proposes case studies of major cooperative projects and how states negotiate. This is actually the approach Haskel (1976) chose, but it also has its limitations. In most aspects, Ørvik is a realist. Interestingly, though, he devotes a considerable part of his essay to history and cultural aspects. He writes about national identities without using the term itself. He also writes, “[h]igh politics is incomprehensible without historical dimension. National policies are affected by learning processes that develop over decades– sometimes even over centuries” (1974, 88). These factors have recently been embraced by different strands of new institutionalism, especially by historical institutionalism – the approach I will apply in my study.

Arne Olav Brundtland, (1966 and 1986) is another well-known name. Brundtland is often credited with coining the term Nordic Balance, even though he himself writes that the first to use the concept was Tomas Torsvik, the foreign editor of the newspaper
Bergens tidende in 1962 (Brundtland 1966, 56). Brundtland views the cooperation among the Nordics primarily through the lens of security. The cooperation is a response to the international pressures. A particularly interesting aspect is the informal nature of this cooperation. There were no explicit agreements among the governments, but when they were dealing with the so called note crisis, the responses of individual governments were synchronized and supportive of each other. Even though there are not many empirical examples to support the theory, it “has become part of established political phraseology” often formulated as “Nordic stability” (Stålvant 1988, 446).

Toivo Miljan’s (1977) book The Reluctant Europeans is perhaps best known because of its catchy title that has been often quoted to describe the Nordics’ relationship to other European organizations. It is a comparative study of the Nordics’ positions toward European economic groupings. Miljan also makes interesting observations about the Nordic countries, their political cultures and relationships to each other. By now, three of the countries have become members of the EU, Iceland is still on the fence and the Norwegian public continues to oppose Norway’s membership. However, Danish opt-outs and Danish and Swedish hesitation to join the euro zone and the stubborn opposition of the Norwegian public to the EU membership suggest that the Nordics still are “reluctant Europeans.”

One of the most often cited works from the Cold War era is Bengt Sundelius (1978), based on his dissertation (Sundelius 1976b). Sundelius examines the Nordic cooperation in the light of Keohane and Nye’s idea of complex interdependence and thus places it in the context of IR theory. His book remains a very useful source because of the author’s extensive research and deep knowledge of the problematique. Sundelius characterizes the
cooperation in Scandinavia as “stable, but slow and incremental” (1978, 114). Similarly to Herlitz (1969), he emphasizes that the cooperation is guided by the principle of national sovereignty and there are no tendencies to create a new federal state. Nevertheless, in many spheres the region has been integrated, perhaps even more than in some federal states. He also tells us that “Nordic issues have been treated more as an extension of domestic policy-making than as relations with foreign powers” (109).

**Literature on Nordic Cooperation after the Cold War**

Nordic cooperation and the Nordic Council and Nordic Council of Ministers were mostly created during the Cold War. And yet, at the end of the Cold War, when the international system started to change and Nordic cooperation seemed to be losing its usefulness, the debate about *Norden* became livelier. The new developments brought about a considerable increase in scholarly interest and literature. Suddenly, when *Norden*’s future began to be questioned, there was a debate about what *Norden* actually is or was, what it meant to act Nordic and what constituted Nordic identity. The feeling of nostalgia used in the title of an article by Ole Wæver (1992a) is mentioned explicitly or implicitly in numerous articles or chapters (Mouritzen 1995; Kettunen 2005 and 2006; Antikainen 2008; Browning and Joenniemi 2010b). Nostalgia also implies a largely positive, sometimes even idealized perception of Norden. Keeping the discussions going is also an attempt to keep the idea of Norden alive, possibly in a different form that has not crystallized yet. The number of works is considerable. My intent here is to present briefly frequently discussed areas of interest and basic trends in the post-Cold War
Besides journal articles, perhaps the most usual type of literature is an edited volume. Many of these volumes are truly Nordic projects, resulting from research programs initiated by the Nordic Council or the Nordic Council of Ministers or from cooperation between researchers and/or institutions in more than one country (for example, Neumann 1995a; Sørensen and Stråth 1997; G. Larsen 1998; Archer and Joenniemi 2003; Christiansen et al. 2006; Götz and Haggrén 2009). The contributors’ backgrounds often vary – some are political scientists; others are sociologists, historians, politicians, diplomats, civil servants and economists (cf. for example, Archer and Joenniemi 2003; Sundelius and Wiklund 2000, Baldersheim and Ståhlberg 1999). In the Nordic spirit, in some cases different chapters are in different Nordic languages. For example, volumes edited by Sundelius and Wiklund (2000) and Neumann (1995) respectively have some chapters in Swedish and some in Norwegian. A volume to mark the fiftieth anniversary of the Nordic Council, edited by the Council’s former president and log-time member, Knud Engaard (2002a), is in Danish, Norwegian and Swedish, and its contributors are from all five Nordic countries. Some volumes use a common framework (for example, Hansen and Wæver 2002), but many present a variety of perspectives on a given topic (for example, Archer and Joenniemi 2003). In general, there are more empirical studies than theoretical ones. Nordic cooperation may be at the crossroads, but it is certainly thriving in social sciences, where sharing ideas and pooling resources are a constant occurrence. That said, while the majority of researchers are Nordic scholars, there are also several authors and/or editors from other countries, for example Clive Archer, Alyson Bailes, Christopher Browning, Mary Hilson and Lee Miles from the United
Kingdom; Norbert Götz from Germany; and Christine Ingebritsen and Bruce Olav Solheim from the United States.

There are a number of themes and topics in the recent literature on Norden. One area of interest is the Nordic Council and other Nordic organizations/ institutions. A historical overview of the most important stages in the post-World War development is provided in an edited volume by Sundelius and Wiklund (2000) titled *Norden i sicksack* [Zigzag Norden]. The title refers to the observation the book conveys that whenever ambitious cooperative projects failed, most of the original objectives were eventually achieved as a series of partial measures. Another historical account is by Jan Andersson (1994). In his dissertation, Andersson fills in a historical gap by examining the cooperation from 1919 to 1953 (prior to the establishment of the Nordic Council). He focuses on the actors and the interplay of domestic and external influences. Recent changes in the structure of the Nordic Council are the subject of a volume edited by Gry Larsen (1998) and published by the Nordic Council of Ministers as a part of the research project *Norden and Europe*. It examines and evaluates reforms of the Nordic Council between 1989 and 1996 in response to the changing international situation.

Another topic is the common Nordic identity (Nordicity) that has developed in addition to the individual national identities. The interest in identities has been brought to the fore by the processes of globalization, European unification and the potential influence of these trends in the region. In social sciences it is undoubtedly also the contribution of knowledge-based approaches that pointed scholarly interest to culture, ideas and identities. Nordic identity, it is often considered a major factor in developing the networks of cooperation that exist in the region.
Many studies deal with the historical roots and/or characteristics of the Cold-War-era identity. Also, among prominent authors writing on identity are historians, sociologists, social anthropologists and political scientists. Among the edited volumes in which Nordic identity is explored are, for instance, those by Øberg (1992), Neumann (1992a), S. Karlsson (1991) and Sørensen and Stråth (1997). There are also numerous working papers, book chapters and journal articles, for example by Mouritzen (1995), Wæver (1992a), Østergård (1997), Joenniemi (2005) and others.

The main components of the Cold War era Nordic identity were peacefulness, the welfare state and to a lesser degree, aid to the Third World countries (Wæver 1992a). Some also add egalitarianism, including high levels of gender equality, and environmentalism (Mouritzen 1995). Several authors stress the bottom-up character of Nordic identity as opposed to the top-down processes that can be observed in the EU (Vibe 1992; Stråth 1995; Mouritzen 2001 and 2004; Allardt 2006; Christiansen and Markkola 2006).

There are several interesting works on identity written from a constructivist perspective. Browning uses the term “brand,” which is related to but not coterminous with identity, and discusses “how a Nordic brand was marketed during the Cold War” (2007, 27). He also questions the effectiveness of “the brand” in the post-Cold-War setting. In a recent conference papers, Browning and Joenniemi (2010a and 2010b) discuss Nordic identity and the idea of Norden through the lens of “ontological security” as opposed to “material security.” Actors (states) attempt to achieve ontological security through “routines, self-narratives and the appeal to collective identities” (2010a, 7). The authors trace the evolving narratives of the idea of Scandinavia/Norden since the
eighteenth century until the present. The narratives are exposed to the strain of dealing with the political turbulence after the end of bipolarity and the result is sometimes “ontological anxiety rather than certainty” (2010a, 19).

Another issue discussed in the literature on Norden is the influence of domestic versus international factors in creating the community and its regional identity. These approaches are labeled “inside-out” and “outside-in” respectively. As Neumann (1994) points out, these are actually the opposite poles of a continuum, and most scholars could be placed somewhere on this continuum rather than at one or the other of the poles. Neumann (1992b and 1994) proposes a third approach, a “region building perspective,” which includes not only internal aspects, such as culture; and external ones, namely the influence of the international structures; but also the role of leaders and scholars who create and perpetuate the mental construct of the region. The region building perspective is close to my perception; however, I will focus mainly on the issue of persistence of institutions rather than their creation.

Deutsch’s idea of security communities still draws attention, perhaps because peacefulness was an important part of the Cold War-era Nordic identity and of the image projected internationally. Recently, a related concept – a “zone of peace” – has been sometimes used. In his article, Archer (1996) examines the question whether the Nordics form a “zone of peace” and concludes that they do. Some of his criteria are the same as Deutsch’s. Internationally, the idea of security communities was revived by Adler and Barnett (1998), whose approach has been influenced by constructivism. In a review of Adler and Barnett’s book, Wiberg (2000) points out some specific features of the Nordic community. The community that developed in the second half of the nineteenth century
depended primary on contacts among individuals and private entities rather than states and international organizations. Joenniemi (1996) and Browning and Joenniemi (2004) argue that security was not the primary driving force behind Nordic cooperation and that “Norden … evolved more by default than by design” (Browning and Joenniemi 2004, 240) and the absence of war preceded the cooperation. Ericson (2003)\(^\text{10}\) argues that, based on archival materials, “stable peace,” which means that “war is unthinkable,” was actually achieved in the 1930s rather than around 1907 as Deutsch et al. (1958) and Lindgren (1959) asserted. Nevertheless, the two countries were able to cooperate during World War I and after the war ended, and an armed conflict between or among them has been unthinkable for a long time.

The Nordic tendencies towards peaceful resolutions of conflicts and towards compromise have become a part of the political culture in the region. It is also the central idea of an edited volume by Archer and Joenniemi (2003) titled *The Nordic Peace*. It is a collection of empirical case studies, in which the contributors describe and analyze cases of potential conflicts – both international and domestic – that could have led to wars or become contentious but were or are being settled peacefully. Examples of the former are Norway’s secession from the Union with Sweden in 1905 and the issue of Åland; examples of the latter are the language issue in Finland, the minority issues in Schleswig and other minority issues in the region.

Another central concept of Nordic identity and value system is the welfare state. The

\(^{10}\) Ericson writes: “Norway distrusted Sweden, and with some cause apparently, for several years after 1905. Sweden kept producing aggressive plans up till 1917. After the end of the First World War, the mutual perception of threat is greatly reduced and in the 1920s remaining fears on both sides are explicitly connected to third party influence. In the early 1930s also these seem to have vanished and the relationship has become one of stable peace” (2003, 33).
type of welfare state found in the Nordic countries has often been referred to as the
Nordic/Scandinavian model or sometimes also the Swedish model. The idea of a specific
way of dealing with social issues can be traced back to the 1930s, but the word “model”
started appearing in the 1960s and became commonplace in the 1980s (Christiansen and
Markkola 2006, 9). Internationally, it is perhaps best known thanks to Esping-Anderson’s
(1990) comparative study The Three Worlds of Welfare Capitalism, where the Nordic
model is one of the three ideal types, the social democratic one.

A question often asked is whether or not the Nordic model is still viable and whether
there are enough common characteristics to justify the label “a model.” For example,
Kautto et al. (1999) have found that the welfare state is under pressure but most benefits
still have broad public support. In the 1990s another Nordic research project was
organized that resulted in an edited volume by Christiansen et al. (2006), The Nordic
Model of Welfare: A Historical Reappraisal. The contributors are leading scholars from
the region. In their comparative study, they call Norden “a model with five exceptions,”
but their conclusion is that despite the differences, Norden has been a distinct region and
continues to be one. Similarly, British historian Mary Hilson concludes that despite all
changes and new developments, “what seems to be remarkable is the stability and
resilience of Norden as a concept” (2008, 186). According to Hilson, there continues to
be a perception of both a common identity within the region and a model as seen by
outsiders. For many, the model continues to be attractive as a solution to social issues.

There are actually a number of publications with the words “Nordic model” in the
title. An example of a recent study is a publication by T. Andersen et al. (2007). Leading
Nordic economists examine the performance of the Nordic model in comparison with
other developed countries and conclude that the Nordic model has performed quite well, combining open markets with social safety nets. It is though facing serious challenges that according to the authors can be solved by appropriate adjustments. Like several other studies, the report also contains a prescriptive element. People will have to work longer hours and retire later. “The Nordic model can be defended and upheld – but only through reforming its institutions and policies while reiterating its commitment to a proper balance between the entitlements and responsibilities of its citizens,” conclude the authors (T. Andersen et al. 2009, 161).

A broader concept of a model corresponding more to “culture” or “society” appears in a recent study Nordic Social Attitudes in a European Perspective, edited by Ervasti, Fridberg, Hjerm, and Ringdal (2008). The contributors use data from the European Social Surveys (ESS) 2002 and 2004 to assess whether or not the Nordic countries share similar characteristics and cultures. The authors define institutions broadly as “formal rules of the game” (1). While institutions do not determine people’s attitudes and behavior, they influence both, and vice versa, people’s values and preferences shape institutions. The authors use a wide range of issues that they identify as components of the Nordic model – people’s values, behaviors and views on family, religion, political participation, immigration, etc. While their findings show both, similarities and differences among individual countries, their conclusion is unequivocal: “With no exaggeration, the five countries analyzed here stand out as a separate area of unique Nordic culture” (149). Even though Ervasti et al. use cross-sectional data, they frequently mention historical roots of current findings.

The term Nordic model has also been used in a narrower sense. For example, Finnish
sociologist and education policy expert Ari Artikainen (2006, 2008 and 2010) writes about the Nordic model of education, which is closely tied to the welfare state and its services. It is based on a Nordic version of Humboldtian ideals of Bildung\(^\text{11}\) as well as on the belief in the importance of education for the nation, equality and lifetime learning.

The educational model as a component of the welfare state has not been dismantled and continues to enjoy public support and legitimacy, even though it faces challenges from new, more market oriented policies, which started appearing since the economic depression Finland experienced in the 1990s.

A Nordic cultural model, where culture is understood mainly as arts, also appears in literature on Nordic identity and cooperation (Kunnas 2005; Duelund 2008). Examining the cultural policies in the Nordic countries, especially the role of the state and public funding for the arts, Peter Duelund (2008) also uses the term Nordic model. Not surprisingly, the similarities in individual countries outweigh the differences.

Another example is in the area of law. Legal scholars write about “Nordic (Scandinavian) legal family” or the “Nordic (Scandinavian) legal system” as a distinct type of legal system (Bernitz 2000; cf. Smits 2007). Nordic legal cooperation has had a long tradition, starting in the 1870s. Now it is also under pressure from the EU. But like many other aspects of Nordic politics, the legal system is treated as a category by itself – as a model.

In a similar vain, Jacobsson, Lægreid and Pedersen (2004) examine the state administrations in Sweden, Denmark, Norway and Finland and the influences of the EU

\(^{11}\) The German word Bildung has equivalents in Nordic languages and in Finnish. It does not seem to have a direct English equivalent. It is a concept broader than education. It involves also personality growth and cultivation.
integration on the Nordic government agencies. Despite differences, often anchored in history, the authors’ describe the administration systems as “a Nordic model with a scope of variation” (73).

Yet another example is the Nordic model as “a foreign policy instrument” or “a bastion.” This approach was useful during bipolarity to keep the tensions in the region low and stay out of the conflict between the two superpowers as much as possible, but its future does not look very promising (Mouritzen 1995). Also related to foreign policy is cooperation in international organizations that Götz and Haggrén (2009), perhaps not surprisingly, call The Nordic Model in Transnational Alignment. An even narrower type of Nordic model is discussed by Jakobsen (2006) in his book Nordic Approaches to Peace Operations: A New Model in the Making? According to Jakobsen, there was a distinct “Nordic model of peacekeeping” during the Cold-War-era. He also argues that this outdated model is being replaced by a new one, more suitable for the new era and more effective.

Many discussions since the end of the Cold War have been centered on the role of the Nordic countries vis-à-vis the European Union. Edited volumes by Hansen and Wæver (2002) European Integration and National Identity: The challenge of the Nordic States, and Miles (1996) The European Union and the Nordic countries exemplify this area of research. Some of the studies are comparative, focusing on the differences. Nevertheless, Nordic cooperation and its prospects are evaluated and the Nordics are treated as a group. Ojanen’s (1998) study of theoretical perspectives on the state and integration also contains two chapters on Nordic cooperation, its specific traits and relationship to European integration. Hans Andersson (2000, 2001) describes the difficulty the Nordic
politicians and civil servants often face trying to reconcile the European and Nordic institutions and policies, namely preserving the free movement of citizens within the Nordic region. A volume edited by Baldersheim and Ståhlberg (1999) deals with transborder region building in the 1990s. Transborder cooperation, (often at the municipal level) under the umbrella of the Nordic Council of Ministers has been in existence since the 1970s. One of the stated objectives of the research project that resulted in this edited volume was to assess the viability of the transborder cooperation in the EU context. The conclusion was that the cooperation in border areas could be stimulated by the EU Interreg initiative.

In the 1990s, a great deal of attention was also paid to a new idea – building a larger region in the Baltic – promoted by some prominent political scientists in Scandinavia. This region is sometimes portrayed as the “new Hansa.” For example, Wæver (1992b) puts the Baltic Sea region in the context of “new patterns of cooperation such as that along the Danube; the constellation of Catalonia, southern France and northern Italy; the eastern Alps (Alpe Adriatic); the western Alps (Arge Alp) and the Baltic Sea Region” (152). Wæver (1995) views the Baltic region as a great opportunity. In his vision, in contrast to Norden, the Baltic region will be tied to the new form of Europe; it will be “non-state based”; and it will be a realization of a rare opportunity for the region to play an important role economically. Wæver (1992a, 1992b, 1995) even suggests a possibility of a new, Baltic identity. It is true that in 1992, The Council of the Baltic Sea States (CBSS) was established as “an overall political forum for regional inter-governmental cooperation” (CBSS web site). The Baltic Sea Area: A region in the making edited by Kukk, Jervell, and Joenniemi (1992) is an example of collaborative efforts among
scholars within the Baltic region. A number of Baltic institutions have been established (Mouritzen 2001; Catellani 2001). However, the region does not have the same homogeneity as the Nordic region (Lagerspetz 2003), and as Hilson (2008) observes, the interest of most of the Baltic countries, perhaps with the exception of Estonia, has not been particularly strong. Mouritzen (2001) also points out that the region-building in the Baltic Sea area is mostly a “top-down” process, unlike the idea of the Nordic cooperation, which had had a strong popular support prior to the establishment of common institutions such as the Nordic Council and Council of Ministers.

Besides the Baltic, some attention has also been paid to the Arctic region and cooperation there. Two international organizations were established in the 1990s, the Arctic Council and the Barents Euro-Arctic Council. Both are intergovernmental fora in which the Nordic countries play a role. These arrangements and other issues associated with the Arctic are discussed for example by Osherenko and Young (1989), Archer (1992), Young (1997, 1998), Young and Osherenko (1993), Stokke and Tunander (1994) and others. Young uses the regimes created in those regions to examine and evaluate regimes in general, especially environmental ones.

A category by itself is a rather provocative recent proposal for a new Scandinavian Union. In October 2009 and in December of the same year, Swedish historian Gunnar Wetterberg (2009a, 2009b) published two opinion pieces in Dagens Nyheter, a leading Swedish newspaper. Subsequently, an eighty-page treatise by Wetterberg was published by the Nordic Council of Ministers. Wetterberg (2009a, 2009b, 2010) proposes a Nordic Federation, a union between the Nordic countries, in order to boost the international standing of the Nordics. He suggests that the Union be implemented gradually by 2030.
If we look at the literature after the fall of the Berlin Wall chronologically, there is a trend. In the early 1990s, pessimism and/or uncertainty about the survival of the cooperation and institutions dominated the literature. The often used word *nostalgia* implies that we are dealing with something that belongs to the past and is irreversibly lost. Several contributors to Jan Øberg’s (1992) edited volume *Nordic Security in the 1990s: Options in the Changing Europe* expressed skepticism about the future of the Nordic cooperation and expected it to be soon reduced to a politically inconsequential cultural affinity. More recently there seems to be to be more optimism about the persistence of *Norden*. In the title of her article, Hanna Ojanen (2005), writing about Finland, poses a question whether Finland is “[r]ediscovering its Nordic neighbours after an EU honeymoon?” For example, in their concluding chapter of their edited volume, summarizing half a century of post-world War II cooperation, Sundelius and Wiklund (2000b) state, “Sure, there is a future!” They propose a number of ways/areas where the cooperation could be useful (Sundelius and Wiklund 2000b, 325). Finnish sociologist Erik Allardt (2006) posits that arrangements based on political power change quickly, but those based on societal patterns are more stable. According to him, the Nordic regional cooperation represents a distinctive socio-cultural pattern different from the EU. The cooperation has been fruitful and could be so in the future. Reports about the persistence and good performance of the welfare state, such as the one by T. Andersen et al. (2007) mentioned above, also demonstrate increased optimism about the future of the Nordic way. Wetterberg’s (2009a, 2009b, 2010) proposal for a Nordic Federation inspired a great deal of discussions in the press in all Nordic countries about the usefulness of

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12 In Swedish: “Visst finns det en framtid!” The translation is mine.
continued cooperation.

It is also clear from the literature discussed above that Norden is at a crossroads. Especially the literature on reconciling the EU institutions with the Nordic ones shows serious challenges the Nordic institutions face. It also is clear that twenty years after the end of the Cold War the cooperation has not disappeared. I plan to examine the persistence of the Nordic institutions through the lens of historical institutionalism. To my knowledge, no such monograph has been written.
CHAPTER 3: THE HISTORICAL ROOTS OF NORDIC COOPERATION

In this Chapter, I will explore the roots and historical milestones of Nordic cooperation to provide context for the subsequent analysis of the persistence of the cooperation and of Nordic institutions. An analysis of important historical junctures and patterns from the historical institutionalist perspective can be found in Chapter 5.

The Kalmar Union

The first and only time the Nordics have been unified in one political entity was under the Kalmar Union (1397-1521). In 1397, Margaret I (Margrethe I) of Denmark, a shrewd politician, had her young great-nephew, Erik of Pomerania, crowned as the king of all three kingdoms, Norway, Sweden and Denmark, and ruled on his behalf. Besides typical medieval dynastic politics, the idea of the Kalmar Union was also driven by concerns about the growing power of the Hanseatic League and German princes (I. Andersson, 1970; Nordstrom 2002). The Union with all its territories was the largest European realm at that time (Henrikson 1991).

The principles on which the Union was supposed to be based are contained in a much discussed document in Danish archives. It is written on paper (not on the official parchment) and appears to be a draft of the Union treaty by leading noblemen and clergy from the three kingdoms. Among other things, it stipulates that the personal union should have common foreign policy, but each kingdom should maintain its own legal and administrative system. Old hostilities among them should cease (I. Andersson 1970).
After Margaret’s death in 1412, the Union did not fare well. It had supporters in all three kingdoms, especially among noble families who owned property throughout Scandinavia. However, none of the kings and regents had Margaret’s political skills, and the following hundred years were filled with struggles for power, internal feuds, attempts to maintain or restore the union and several rebellions. Opposition to the Union was especially strong in Sweden. At the beginning of the 16th century, Christian II of Denmark tried to restore the Union by force and almost succeeded, but his brutal treatment of his opponents backfired. In 1520 many anti-union Swedish nobles and clergymen were killed in a massacre known as the Stockholm Bloodbath. A victorious revolt lead by a young Swedish nobleman Gustav Eriksson (Vasa) followed. In 1521 Sweden regained its independence and in 1523 Gustav was crowned the Swedish king (I. Andersson 1970).

Even though the Kalmar Union was established more than 600 years ago, did not last very long and was a product of the feudal era, I include it in this chapter for several reasons. It is often mentioned by Nordic scholars and politicians to show the long history of the idea of Nordic togetherness. Viewing it as a precursor of modern Nordic cooperation has indeed some justification. Even though, as Ingvar Anderson (1970) points out, it is unclear who drafted the treaty and who was to benefit from the conditions, the idea of the three countries, Denmark, Norway and Sweden, working together while preserving their autonomy has a basic resemblance to the principles and norms guiding their present cooperation. Also, in the 19th century, those favoring a pan-Scandinavian state saw Margaret as an important Nordic figure. She was born in Denmark, married to the King of Norway at a very young age and was raised in Norway.
by a Swedish noblewoman. At her time, the state borders were not very well defined and there were no clear ethnic or linguistic boundaries. Many leading noble families were connected by marriage and owned property in more than one Nordic country (Henrikson 1991). The idea of the union surfaced periodically (cf. Vibe 1992; Franzen 1944; Stråth 1995). In the 19th century it was promoted by some representatives of political Scandinavianism discussed below. Most recently it got attention in 2009, when Swedish historian Gunnar Wetterberg proposed that the Nordics should form a new union, a federal state that would greatly boost their status in the EU and other international organizations. To underscore the historical link, Wetterberg suggests the Danish Queen, Margaret II, as the symbolic head of the Federation (Wetterberg 2009a, 2010).

**Three Centuries of Enmity between Sweden and Denmark**

After the Kalmar Union was dissolved, the Nordic countries were divided between two realms, Sweden and Denmark. Finland was an integral part of Sweden. Norway lost its status as a kingdom and became just a province of Denmark, and Norway’s territories; Iceland, Greenland and the Faroe Islands; were ruled directly from Copenhagen. Both countries were considerably larger than they are today and owned territories that now are parts of Russia, Germany, Poland and the Baltic republics. Almost three hundred years that followed were filled with bloody wars for domination of the region between Sweden and Denmark as well as with wars with their neighbors. Territories in the region often changed hands depending on the fortunes of war. F. Wendt describes the animosity between Sweden and Denmark as follows: “Nor did the two countries fight with weapons
only. They made use of uninhibited propaganda against their ‘arch enemy,’ painting his actions and character in the worst terms” (F. Wendt 1981, 15).

Until the beginning of the 17th century, Denmark was the more powerful of the two, but in the 17th century Sweden dominated the region and greatly expanded its territory. In 1645 formerly Norwegian provinces of Bohuslän, Jämtland and Härjedalen became permanently Swedish. In 1658 Sweden also acquired formerly Danish provinces of Skåne, Halland, and Blekinge (Nordstrom 2000). Sweden also controlled the Baltic Sea region. Between 1630 and 1709, when Sweden was defeated at Poltava, Logue writes that “the Baltic was a little more than a Swedish lake” (1989, 37). At that time, Sweden was also one of the great powers in Europe.

However, the hostilities between the two rivals eventually ceased. The last major conflict between Denmark and Sweden, the Great Nordic War, took place in 1709-20. During the Napoleonic Wars, Sweden and Denmark sided with the opposite camps, but there was only a brief war between the two. As a result of the settlements after the Russo-Swedish war of 1808-9 and the Napoleonic wars, Sweden lost Finland to Russia but was compensated by acquiring Norway from Denmark. In 1814 Norway tried to create an independent state, and Sweden sent troops to enforce its rule, but the military campaign, the last armed conflict between Norway and Sweden, was short. The Swedish king, Charles John (Karl XIV Johan), was careful to project an image of a liberal monarch and avoid a major conflict. Norway and Sweden formed a personal union. They had a common foreign ministry, but each kept its own parliament (the Riksdag in Sweden and the Storting in Norway) and its own constitution (I. Andersson 1970). Within the Russian Empire, the Grand Duchy of Finland also enjoyed a great deal of autonomy in domestic
affairs. It was able to keep the Swedish legal system, its own diet, Lutheranism, free peasantry and its own currency (Jussila 1999; Jakobson 1998).

**Scandinavianism and the Beginning of Nordic Cooperation**

The 19th century is generally seen as the beginning of the Nordic cooperation. The cultural and political movements promoting Scandinavian solidarity at that time are known as Scandinavianism (sometimes also Scandinavism) or Pan-Scandinavianism. Their roots are in the 18th century romanticism and the “pan-movements” elsewhere in Europe (Østergård 1997; Vikør 2000; Laursen and Olesen 2000). Romanticism brought about interest in national history and a wave of nationalistic movements across Europe. It also inspired political unification of Germany and Italy. In Scandinavia, the study of old manuscripts led to the rediscovery of the common Nordic heritage. Tham writes that “the cult of the ancient North blossomed … and consolidated the idea of a Nordic sense of togetherness” (1958, 728). A particularly popular era of the Scandinavian common past was the Viking Age, which started toward the end of the 8th century and lasted for about three hundred years. It is somewhat ironic that the popular image of the Vikings as tough seamen and fearless warriors is the opposite of the peaceful image cultivated by the Nordics since the middle of the 20th century. Østergård remarks that “[o]nly the Finns have avoided the dubious honour of being reckoned among the pillaging and plundering hordes who, in the period leading up to the turn of the first millennium, rendered the greater part of Europe unsafe” (1997, 5).

Scandinavianism had several, sometimes overlapping strands. One, predominantly
cultural, was represented by intellectuals, artists and students, mainly at universities in Copenhagen (Denmark), and Lund and Uppsala (Sweden). Many of their meetings involved not only celebrations of common heritage and culture but also ample consumption of alcohol, in particular punch (Østergård 2002). One event marking the newly found brotherhood took place in the Lund cathedral in 1829, where the Swedish poet Tegnér awarded a laurel wreath to the Danish poet Adam Oehlenschläger, proclaiming that “[t]he era of separation is past, and should never have existed in the free, limitless world of the spirit” (qtd. by Tham 1959, 728). Contacts among scholars from Norway, Sweden and Denmark also increased during this time (Tham 1959). During the winter of 1838, the Sound (Öresund) froze over and students from Swedish Lund walked over the ice to visit their Danish counterparts in Copenhagen. Contacts between southern Sweden and Copenhagen also increased thanks to regular steamboat lines across the Sound. Several student conferences were held in Denmark and Sweden (I. Andersson 1970). While many of these events may seem to belong more to the cultural lore than a political science treatise, they clearly became a basis for a broad cooperation among different groups of civil society in the region in the second half of the nineteenth century. These contacts and organizations in turn paved the way for the twentieth century institutions, and thus deserve our attention.

Economic cooperation received little attention during this era. It is worth mentioning though, that a book titled *Denmark’s Industrial Situation Considered Mainly in the Light of the Question of Establishing Customs and Trading Associations* was published in the 1840s. The author was Viggo Rothke, a Danish civil servant, who was inspired by the German *Zollverein*. He proposed abolishing customs within Scandinavia and protecting
the region by a tariff, but his proposal attracted little attention (F. Wendt 1981, 97).

Another major strand of Scandinavianism was political. It aimed at unification of Denmark and Sweden and had a clear connection to security, namely Denmark’s concerns about growing German nationalism and problems in Schleswig and Holstein (F. Wendt 1981; Nordstrom 2000; Østergård 2002; Vikør 2000). It was also driven by personal ambitions of monarchs, especially Oskar I of Sweden, who was hoping to succeed King Fredrick VII on the Danish throne and even thought about recapturing Finland from Russia. In 1848 Oskar I sent troops to aid the Danish king in the first of the two wars over Schleswig and Holstein. In 1857 Oskar proposed a defense alliance with Denmark. The Danes hesitated and when they agreed, it was too late. Oskar I became ill and died (Østergård 2002). Later, Karl XV, Oskar’s successor, promised military aid to the Danish king. However, when the Second Schleswig War started in 1863, Karl XV did not have the support of his State Council. Sweden-Norway did not send any troops, and Denmark lost both duchies. The era of political Scandinavianism was over (Tham 1959).

While the attempts at political unification in the 1860s failed, cultural Scandinavianism survived and had a lasting impact in the region. In his *History of Sweden*, Ingvar Andersson describes this impact as follows:

In the middle of the [19th] century the Scandinavian peoples acquired knowledge of one another’s culture, a process that was made easier by their similarity of language; and the foundations were laid of a fruitful collaboration in scholarship, legislation, economic life, and art and letters that has since been expanded and is now of the greatest significance. (I. Andersson 1970, 350).
The Late Nineteenth Century Contacts and the Civil Society Institutions

The second half of the 19th century has been largely neglected by historians of the Nordic cooperation (Østergård 2002). However, it was during this period that the contacts between the countries intensified. Many issue areas and forms of cooperation typical for the Nordic cooperation of the second half of the 20th century can be traced to this period. While early on Scandinavianism was mainly promoted by political and intellectual elites, in the late 19th century it gained a broad popular support; many different groups of civil society had contacts with their counterparts in other Nordic countries. The mostly bottom-up13 character of the Nordic cooperation can be traced to this period.

After 1864, contacts among artists continued to flourish. One example was the artistic colony Skagen in northern Jutland in Denmark (Østergård 2002). Its members were painters, writers and music composers from Denmark, Norway and Sweden. Also, internationally known playwrights such as August Strindberg (a Swede) and Henrik Ibsen (a Norwegian) and literary critic Georg Brandes (a Dane) influenced the cultural lives in all three countries (Østergård 2002; I. Andersson 1970).

Wide-spread professional networks were also established. The students of the previous period were now professionals, politicians, civil servants and business people. From the lofty ideals of their youth, they turned to more practical and more realistic goals. As a result, their cooperative efforts after 1864 proved to be more successful (F. Wendt 1981;

13 Hans Mouritzen, writing about the Nordic security community, defines the bottom-up process as follows: “bottom-up’ means that mutual sympathies and transnational ties develop spontaneously over a long time-span at the popular level; for instance NGOs, ‘grassroots’ and professional organizations establish ties and perhaps even umbrella organizations” (2004, 155).
There were, for example, frequent contacts in the educational sphere. One example is Folk High Schools, a unique form of adult education promoted by Danish priest, religious thinker, philosopher and educator N. F. S. Grundtvig\textsuperscript{14}. The Folk High Schools started in Denmark but soon spread into other Nordic countries (I. Andersson 1970; Pedersen 1981; Christiansen 2000; Østergård 2002). The organizers of these schools were promoting the idea of “Nordic brotherhood” and spreading it into rural areas (F. Wendt 1981, 20). In Denmark, around fifty of these schools were established between 1850 and 1870. In Norway, the first folk high school was established in 1864, in Sweden in 1868, in Finland in 1889 and in Iceland in 1905 (Pedersen 1981, 476). Regular meetings among Nordic school teachers also started in the 1860s (Nielsson 1990).

Cooperation among Nordic lawyers is another good example. In 1872 The Nordic Assembly of Jurists was established. One of its first achievements was a legislation regarding bills of exchange that was approved by the parliaments in Sweden, Norway and Denmark and signed by both kings in 1880 (F. Wendt 1981). The 1872 meeting started a tradition of conferences held every three years, which continues even today. At the conferences, Nordic lawyers discuss legal issues of mutual interest. As a result of this cooperation, as early as in the 1880s and 1890s, Denmark, Norway and Sweden adopted almost identical laws in areas such as maritime law, trade marks, and the laws regulating the use of checks. More identical legislation was adopted in the twentieth century. Finland and Iceland started participating after World War I (Blomstrand 2000). Early on

\textsuperscript{14} In 2000, an EU educational program was established that is named for this Danish educator European Commission. <http://ec.europa.eu/education/lifelong-learning-programme/doc86_en.htm>
the organizers of the regular meetings between lawyers were also involved in two important projects – the publication of *Nordisk retsenclyclopaedi* (An *Encyclopaedia of Nordic Law*) and the publication of the journal *Tidsskrift for Rettsvitenskap* (A Journal of [Nordic] Jurisprudence), which started appearing in 1888 (Strahl 1959). The journal still exists today as a scholarly journal for Nordic lawyers and is published in Oslo, Norway, in a print and an on-line version (Idun 2012).

Other examples of professional associations established in the late 19th century are Nordic Congress of Economists, Association of Nordic Railwaymen, Nordic Shipping Companies’ Association and Nordic Agricultural Congress (Nielsson 1990). Nordic industrial, agricultural and art exhibitions held in Copenhagen in 1872 and 1888, Stockholm in 1893 and Malmö in 1914 are also examples of flourishing contacts (Østergård 1997).

Scandinavian economists mostly discussed tariffs, weights and measures and common postal service (F. Wendt 1981). An important achievement in the late 19th century was the Scandinavian Monetary Union (SMU) established in 1873 by Sweden and Denmark and two years later joined by Norway. The union was based on gold standard. Originally it applied only to coins, but in 1885 the members agreed to accept each other’s paper currencies as well. The SMU was disrupted by the outbreak of World War I. Attempts were made to restore it after the war, but the agreement was finally abandoned in 1931 (Cohen 2003). Besides the convenience, the SMU also had a symbolic significance (F. Wendt 1981).

A close cooperation and frequent contacts also existed among labor movements across the region. Christiansen (2000) even writes about “Labour Scandinavism” in the last
decades of the 19th century. The Nordic Congress of Labor Unions was established in 1886 (Nielsson 1990). Scandinavianism was thus changing from an elite movement into a popular movement.

**Individual Nationalisms and Centrifugal Tendencies**

The 19th century was the time when the Nordic peoples were becoming closer. However, there were also centrifugal tendencies. In Sweden and Denmark, the individual nationalisms and the Nordic awareness were going hand in hand without conflict. The Danes and the Swedes had leading positions in their respective states. The situation in the rest of the Nordic nations was more complicated.

**Norway**

In the middle of the 19th century, both Pan-Scandinavianism and Norwegian nationalism flourished; both were inspired by the Romantic Movement and seemed to be just two sides of the same coin. Karen Larsen (1948) writes that “[t]here was neither any sense of incongruity between the two nor any clear conception as to how the unity of the North was to be obtained without sacrificing national individuality” (448). Among expressions of Scandinavianism in Norway were gatherings with Danish and Swedish students that Norwegian students hosted in Christiania [today Oslo] in 1851 and 1852. Some Norwegian students also participated in similar meetings in Copenhagen, Lund and Uppsala. Also, when Sweden-Norway did not send troops to help Denmark in the war over Schleswig–Holstein and only a few volunteers from Sweden-Norway participated in
the conflict, Norwegian writers Bjørnson and Ibsen sharply criticized their countrymen (Karen Larsen 1948).

However, the Union with Sweden was problematic. It was based on the decision by the Great Powers while Norwegian leaders wanted full independence. It is true that Norway entered the union as a separate entity with autonomy in domestic affairs, and it also had a much more independent position in the new union than under the Danish rule. It was able to keep (with only minor amendments) the constitution adopted on May 17, 1814, in Eidsvoll. In fact, the Norwegian constitution was more liberal than the Swedish one. However, the king was Swedish and foreign affairs were in the Swedish hands, and Norway was the weaker partner in the Union (Semmingsen 1959). Any attempts by Sweden to unify the countries were “stubbornly resisted” by the Norwegians (Weibull 1993, 104).

In the second half of the century, dissatisfaction in Norway was growing. In the 1890s, a serious political crisis developed. The main source of contention, among other issues, was the fact that most consular posts were filled with Swedes, and Norwegian leaders felt that Norway’s interests abroad were not properly served. When no solution to the Norwegian demands was reached, Norway seceded from the Union on June 7, 1905 (Karen Larsen 1948).

Norway’s withdrawal from the Union is an example of individual nationalism working as a centrifugal force. At the same time, it is one of several examples when the Nordics could have gone to war but did not. The term used for these volatile situations is “Nordic non-wars” (Mourditen 2004, 184 note 9). Both countries made military preparations. Swedish historian Ingvar Andersson writes that during the summer of 1905 “war seemed
imminent” (1970, 402). To support its case, Norway organized a referendum in August 1905. The result was overwhelmingly in favor of independence with more than 368,000 votes in favor versus 184 against. Hjalmar Branting,15 the leader of the Swedish Social Democrats, threatened that if military action was taken against Norway, he would call a general strike in Sweden. Eventually, King Oskar II said in the Swedish parliament that “the [Swedish - Norwegian] Union is not worth anything, if it is to be upheld by force” (Archer 1996, 453). An agreement to dissolve the Union was reached in the Treaty of Karlstad. The Swedish parliament approved the Treaty on October 26, 1905. Another referendum led to the decision that Norway would remain a kingdom rather than become a republic. After careful diplomatic negotiations, Danish Prince Carl accepted the Norwegian offer and became King Haakon VII (Karen Larsen 1948).

The peaceful dissolution of the Swedish-Norwegian Union is often cited as an example of a security community in the Deutschian sense (Deutsch 1968 [1957]; Lindgren 1959; Neumann 1992; Mouritzen 2001, 2004) or simply a consequence of Scandinavianism (Wiberg 1992; Karen Larsen 1948). As Vedung (1971) shows in his detailed analysis of the negotiations surrounding the dissolution of the Union, there were hardliners within the Norwegian left and within the Swedish ultraconservative groups, but the willingness to compromise and avoid military confrontation won. Ericson (2003) concludes, after studying archival materials, that Norway perceived Sweden as a potential threat for several years after the Treaty of Karlstad and the possibility of war completely

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15 In 1921, Hjalmar Branting (1860-1925) received the Nobel Peace Prize (together with Christian Lange) for his involvement in the peace movement. He was the Swedish delegate to the League of Nations and was involved in the drafting of the Geneva Protocol. He also held the office of the Swedish Prime Minister three times (Hjalmar Branting—Biography).
disappeared by the early 1930s, but both countries were able to cooperate. The will to resolve international and domestic conflicts peacefully would eventually become the norm in Scandinavia.

It is true that the dissolution of the union “opened the way to voluntary cooperation” (Scott 1988, 333). At the same time, Norway’s cautious approach to Nordic cooperation can also be traced to its historical experience. As Laursen and Olesen put it, “Norway’s history of being part of Danish- or Swedish-dominated states seems to have worked as a psychological barrier to participate in more binding Nordic cooperation schemes” (2000, 76).

**Finland**

A particularly complicated situation appeared in Finland. The 19th century brought about a rise in Finnish nationalism. Finland had been an integral part of Sweden since the 12th century when Swedish kings started their crusades and subsequently introduced Swedish law and administration. The Finnish representatives had the right to participate in the election of the king since the 14th century and thus had equal rights within the Swedish kingdom (Klinge 1997). The Treaty of Hamina (Fredrikshamn) in 1809 stipulated that Sweden had to cede Finland and Åland to Russia. However, Finland was not absorbed into the Russian Empire; it became the Grand Duchy of Finland, an autonomous entity with a separate system of administration and a separate legislation. The tsar, Alexander I, took the title of the Grand Duke of Finland. Even though he was an autocratic ruler in Russia, he accepted the role of a constitutional monarch in Finland (Jussila 1999; Klinge 2003).
An often quoted statement expressing the position of the Finnish elites was “We are no longer Swedes; we do not want to become Russians; so let us be Finns”\textsuperscript{16} (Jakobson 1998, 14; Jussila 1999, 24). Jakobson points out the similarity between this credo and the one proclaimed by the Italian nation-builders: “We have made Italy – now we must make Italians.” The Russian tsars supported the ideology of a separate Finnish identity because it weakened the Finnish ties to Sweden. For the Finns, however, it meant preservation of their traditional values and their western character and ultimately the birth of their nation (Jussila 1999).

Inspired by Herder, the Finnish nationalists also focused on the language. In the second half of the 19\textsuperscript{th} century, the supporters of the Finnish language were gaining ground. Until then, Swedish had been the official language. In fact, most of the leaders came from Swedish-speaking families. Also, many patriotic Finns changed their Swedish last names into Finnish ones (Jakobson 1998; Klinge 1997; Østergård 2002). However, for example, Klinge (1997, 2003) points out there were not two separate cultures, Swedish and Finnish; there was one culture with a common heritage. The continued use of the Swedish language was helpful in continued contacts with Sweden and the west. Today both, Swedish and Finnish are official languages in Finland, even though just 5.5 percent of the population speak Swedish (CIA World FactBook 2011).

Towards the end of the nineteenth century, especially in the 1890s, the czarist regime started introducing policies that meant Russification and restrictions on Finnish autonomy. These measures were associated in particular with the name of General

\textsuperscript{16} The translation I am using here is from Jakobson’s book since it is closer to the original than the translation in Jussila (1999).
Bobrikov, who became Governor-General of Finland in 1898. In 1904, Bobrikov was assassinated by a young Finnish civil servant, who then killed himself. Other than that, the Finnish resistance was mostly non-violent (Jakobson 1998). The oppressive Russian politics brought about a renewed focus on the Nordic heritage of the country. In this respect, there was no disagreement between the proponents of the Finnish language and those favoring the use of Swedish. The struggle to preserve autonomy was also a struggle for the Nordic character of Finland, which, in turn, generated a lot of sympathy in other Nordic countries (Karvonen 2005).

In 1917, in connection with the revolutions in Russia, Finland declared independence. Two more years of a bloody civil war between the Reds and the Whites followed. The civil war in Finland is an exception to generally peaceful solutions of both internal and external conflicts. Unlike Norway, Finland became a republic.

**Iceland**

Iceland, too, was influenced by the wave of nationalist movements after the Napoleonic wars. In the 1830s, nationalism was flourishing among Icelandic students at Copenhagen University. They were interested in language and literature but also inspired by liberal ideas. Nationalism thus also became political. Icelanders started demanding a representative body of their own, and in 1843 the Danish king agreed “to establish an advisory assembly” in Iceland. It was called Althing (Alþingi) like the old Icelandic outdoor assembly originally established in 930. Other political rights followed, even though slowly. Iceland got its constitution in 1874 and achieved independence in several steps. In 1904 it was granted home rule. In 1918 it became a sovereign state in the Union.
with Denmark. Full independence was proclaimed in 1944, when Iceland became a republic (Hjálmarsson 1993).

Icelandic historian Gunnar Karlsson (2003) characterizes the process toward Iceland’s independence as follows:

This development took place in a remarkably peaceful manner. No shot was ever fired in the entire struggle for the independence of Iceland. No one was killed; no one was even arrested or kept in prison overnight. It is no doubt that the peacefulness of this development is basically due to the general attitude toward solutions of disputes which gained ground in Scandinavia in the 19th century…

The story of Iceland forms an excellent case of a peaceful Nordic solution of an inter-ethnic, if not international, dispute. (G. Karlsson 2003, 45)

G. Karlsson gives credit for the peaceful resolution of the conflict to Denmark because the Icelanders were just a small nation with no military power. Even though Iceland was not an asset economically, holding on to their territory is often an issue of prestige for states. Another Icelandic historian, Guðmundur Hálfdanarson (2000), also points out that the Icelandic language and literary heritage celebrated by romanticism were a part of Danish as well as Icelandic nationalism. Many Icelandic leaders were graduates of Copenhagen University, many held positions as civil servants, and their views were similar to those of their Danish counterparts. Neither side wanted to escalate the conflict.

To sum up, the 19th century meant the beginning of peaceful coexistence and a development of a sense of affinity. In the second half of the century, foundations were laid for frequent contacts among individuals, informal groups and civil society
organizations and for exchange of ideas.

However, the 19th century was also a time of contradictory developments, individual nationalism and disintegration. Several scholars have pointed out, that the official Nordic cooperation took off when all the Nordic countries gained independence and established their nation states, in other words, after World War I and especially after World War II (Sundelius 1978; Baldersheim and Ståhlberg 1999; Østergård 2002). At the same time, the past relationships between the countries have had long-lasting effect on the views on a common state. As late as in 1979, Sundelius and Wiklund write: “The memories of the past domination and political disputes are still fresh enough to make political union an undesirable goal” (1979, 61). These past relationships explain, for example, the often hesitant approach to cooperation by Norway (Wallensteen, Vesa and Väyrynen 1973; Ørvik 1974; F. Wendt 1981; J. Andersson 1994; Laursen and Olesen 2000; K. Petersen 2006). The Scandinavian/Nordic identity did not replace the individual national identities as some actors had hoped around the turn of the century, but it continued to exist alongside individual national identities (Stråth 1995). The emphasis on national sovereignty, equality and voluntary cooperation, which became norms for the Nordics in the 20th century, can be traced to the historical development outlined above.

The Early Twentieth Century

Despite some bitterness between Norway and Sweden in the aftermath of the dissolution of the Union in 1905, Nordic contacts continued to increase. A number of important institutions, for example the Nordic Inter-Parliamentary Union and the Norden
Associations were established. Several meetings at the level of heads of states or ministers were also held and mutual support and cooperation were discussed. Again, the literature on this period is scarce, even though some of the roots of the Nordic institutions of the second half of the twentieth century can be found in this period. The institutions founded during this period and the formal and informal contacts paved way for the Nordic Council and the elaborate network of cooperation after World War II. During this period, we can also see new elements in the Nordic movement, such as links to the international peace movement and to the emerging international organizations.

The Peace Movement and the Nordic Inter-Parliamentary Union (NIPU)

The Nordic Inter-Parliamentary Union (NIPU) was established in 1907, just two years after the breakup of the Swedish-Norwegian Union. It can be seen as a precursor of the Nordic Council in terms of the issues discussed and the methods of cooperation used by the two organizations (Anderson 1967; Knud Larsen 1984). The NIPU was strongly influenced by the international peace movement of the time and was an outgrowth of the Inter-Parliamentary Union, founded in 1889. The idea of meetings among the members of Nordic parliaments appeared in a pamphlet by Fredrik Bajer, a member of the Danish parliament, in 1890. Bajer was very active in the international peace movement and attended regularly the meetings of the Inter-Parliamentary Union (IPU). He also was a

17 Fredrik Bajer (1837-1922) was awarded the Nobel peace Prize in 1908, together with Klas Pontius Arnoldson. Besides his tireless involvement in the international peace movement and in Nordic cooperation, he was also a proponent of women’s rights. As a member of parliament, he supported legislation granting women economic rights and he also helped establish the Danish Women’s society (Dansk Kvindesamfund) in 1871 (Fredrik Bajer—Biography).
proponent of Nordic cooperation and helped create the Scandinavian Monetary Union. However, the 1890s were the time of the political crisis of the Swedish-Norwegian Union. Despite this unfavorable situation, some attempts at establishing cooperation among parliamentarians were made; for example, a group of Swedish and Danish parliamentarians met in Copenhagen in 1897. But the idea of regular meetings of members of Nordic parliaments had to wait until the Union crisis was resolved. Between 1907 and 1947, the NIPU was meeting every year and between 1947 and 1955, every other year (Knud Larsen 1984). In 1955, after Finland joined the Nordic Council (established in 1952), the NIPU became redundant and was dissolved (F. Wendt 1981).

Early on, the NIPU focused mainly on Nordic cooperation at international meetings of parliamentarians and on international law, but soon discussions of specifically Nordic issues were added. In 1911 the Constitution of the NIPU was changed and the agenda included other issues of common Nordic interest, such as economic issues, family law and civil law. The organization thus changed from more or less a Nordic group within the Inter-Parliamentary Union into what Stanley Anderson labeled an “intergovernmental substitute for an authoritative regional decision-making body” (Knud Larsen 1984, 193).

The NIPU started as a small private group financed by the members themselves, but within a decade the membership increased to the point that the majority of the members of the three parliaments became NIPU members. Also by the fiscal year 1918-19, all three states were providing a substantial funding to their respective groups (Knud Larsen 1984, 193-4).

In connection with the peace movement, we should also mention the Nobel Peace Prize, established by Alfred Nobel in his will and first awarded in 1901. In his will,
Nobel does not elaborate why he decided to let the Norwegian *storting* (parliament) elect a committee to award the Nobel Peace Prize (“Full text of Alfred Nobel’s Will”). Interestingly, Nobel (a Swede) directed international attention to Norway, which at the time when he wrote his will was the part of the Swedish-Norwegian Union excluded from foreign policy decisions.

**Political and economic cooperation during World War I**

While most of the cooperation was in the realm of civil society and private and semi-private initiatives, there was cooperation in the national security sphere as well. The post-WWII efforts to stay out of major powers’ conflict can be seen as a continuation of this tradition.

The dissolution of the Union between Sweden and Norway did not stop the heads of states from joining forces. At the beginning of WWI in 1914, King Gustav V of Sweden convened a meeting in Malmö, where the heads of the governments of Sweden, Norway and Denmark issued a joint statement that they intended “to maintain the neutrality of the respective kingdoms in relation to all the belligerent powers” (Derry 1979, 304). A second meeting of the Nordic kings was held in Oslo in 1917. The meetings had a largely symbolic meaning, showing the unity of the three kingdoms to both their citizens and the rest of the world (F. Wendt 1981, 22). The Foreign Ministers of the Nordic countries held regular meetings during the war, starting a tradition of ministerial meetings.

During World War I, there were also examples of practical cooperation in the economic sphere. During the submarine warfare and blockade by the Allies, the exports
and imports of the three kingdoms were disrupted. As a result, the trade among the three countries increased considerably, from about 12-13 percent to 30 percent by 1918. Exchange of goods was organized to prevent serious war-time shortages. Denmark provided mainly agricultural products; Sweden supplied steel, timber and chemicals, and Norway similar products plus fish (F. Wendt 1981). Frantz Wendt makes a connection between this close cooperation and the foundation of the Norden Associations after World War I. Some of the politicians and businessmen who participated in the negotiations and coordination of the exchange of goods were also involved in the negotiations surrounding the establishment of the Norden Associations (F. Wendt 1947, 1959).

The Inter-war Period

The Norden Associations

The founding of the Norden Associations (Föreningarna Norden, sometimes also translated as the Nordic Associations or Associations for Nordic Unity) in 1919 was another important step in the development of Nordic cooperation. The Norden Associations are viewed as important actors in the establishment of Nordic cooperation and many of its organs (F. Wendt 1981; J. Andersson 1994).

Norden Associations started as private organizations\(^{18}\) that were to promote contacts,

\(^{18}\) Associations Norden are considered NGOs. They started as private organizations. However, they have been receiving partial funding from the governments in recognition of their contribution. In the 2012 Nordic Council of Ministers Budget they are listed as an
understanding and cooperation among the Nordics in a wide range of areas. Separate
Norden Associations were established in Denmark, Norway and Sweden in 1919. The
Icelandic Norden Association was founded in 1922 and the Finnish in 1924. Faroe
Islands have had their own branch since 1951, Åland since 1979 and Greenland since

Like many times in the history of Nordic cooperation, many proponents wanted more,
but eventually the least enthusiastic member of the group influenced the outcome. In his
dissertation, Jan Andersson (1994) describes the negotiations surrounding the
establishment of these organizations. A group of prominent Swedish politicians, scholars
and businessmen took the initiative and in 1918 travelled to Denmark and Norway to
promote the idea. They wanted one common organization but met with skepticism in
Norway. The Norwegians, who had attained independence only a little over a decade
earlier, were concerned about any possibility of Swedish dominance and insisted that the
activities should be limited to culture and business and that there should be no
government involvement. So even though political parties were involved in the
discussions, eventually, each country got its own Norden Association, using private
sources of funding, and the focus was on promoting mutual understanding, spreading
information and bolstering cultural and business contacts (J. Andersson 1994). An
umbrella organization—The Union of Norden Associations (Föreningarnas Nordens
Förbund, FNF, also translated as the Federation of Nordic Associations)—was
established many years later, in 1965 (F. Wendt 1981, 90).

entity receiving funding. Thus, it would be more accurate to call them semi-private.
Many prominent figures in Nordic countries have devoted a lot of effort to promoting Nordic cooperation and were involved in more than one organization. In the first half of the twentieth century some of the people active in the Nordic Inter-Parliamentary Union were also involved in the founding of the Norden Associations. Also, many proponents and organizers of Nordic cooperation held important offices in national or international politics. An example is Niels Neergaard, who was active in both organizations, NIPU and the Danish Norden Association, and who later became twice the Prime Minister of Denmark. Also, for example, a member of the Swedish group that advocated for the establishment of the Norden Associations in 1918 was a young Associate Professor Nils Herlitz (J. Andersson 1994 and 2000). Herlitz, later a professor of constitutional law and a conservative member of the Swedish parliament, was also involved in writing the Statute of the Nordic Council, founded in 1952 (F. Wendt 1981). In 1955, Herlitz became the Nordic Council’s president (Nordic Council. “Former Presidents” 2012).

The activities by the Norden Associations paved way for the post-World War II institutions. In the 1930s, the Norden Associations started a large project of reviewing history and geography textbooks in order to avoid biased presentations of each other’s history and to recommend topics from history which should be included. Even though recommendations of the experts involved in this project were not binding, they were often followed by both authors and publishers of the textbooks (F. Wendt 1981).

Ministerial Meetings

As I mentioned above, during World War I the foreign ministers held several
meetings. These meetings were resumed in 1932 and the Foreign Ministers were meeting one or more times a year until 1940. Since the 1920s, there has been also cooperation in the social welfare area. Regular meetings of the Ministers for Social Welfare started in 1926. The ministers of other sectors, namely commerce, justice and education, also held repeatedly joint meetings during the 1930s (F. Wendt 1981). Just like the NIPU was a forerunner of the Nordic Council, regular meetings of ministers with the same portfolios could be seen as precursors of the Nordic Council of Ministers, founded in 1971, and the regular meetings of ministers responsible for the same sectors that still take place both within the framework of the Council of Ministers and outside of it.

The Nordic Labor Movement

In the 1930s, the Nordic Cooperation Committee (SAMAK) was established. It is a joint committee of the central trade union organizations and the social democratic/labor parties. Kettunen (2009) reminds us that SAMAK “has its roots in Nordic labor movement cooperation going back to the 1880s” (2009, 73). The importance of this organization has been considerable because of the strong influence of the social democratic parties in Nordic politics (J. Andersson 1994; K. Petersen 2006; Kettunen 2009). It has not only provided a platform for personal contacts but has also been closely

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19 K. Petersen (2006) traces the beginning of cooperation in the social welfare into the late 19th century. He also gives examples of Nordic agreements in this area.

20 For example, there were three prime ministers present at the first meeting of SAMAK after World War II in 1945 – Hansen from Sweden, Buhl from Denmark, and Gerhardsen from Norway, plus the Finnish foreign minister Vuori (Tønnesson 2002, 21). Currently (2012), three prime ministers are social democrats – Helle Thorning-Smidt of Denmark, Jóhanna Sigurdardóttir of Iceland, and Jens Stoltenberg of Norway.
linked to the idea of the Nordic model of welfare (Lundberg 2006).

**Cooperation in International Organizations**

The Nordic countries were active in international organizations and often cooperated within the framework of these organizations, increasing their visibility in the international context and enhancing the image of a homogeneous group. Cooperation in international organizations also led to expanded cooperation in the region on issues of interest to the Nordic countries.

One such organization was the Inter-Parliamentary Union, founded in 1899. Norway was the first country to provide financial support to the IPU and Norwegian Christian Lange was its first paid Secretary General. During World War I, when Belgium was invaded by Germany, Lange moved the IPU Secretariat from Brussels to Oslo and continued its activity (“Christian Lange – Biography”). The IPU was an inspiration for the Nordic Inter-parliamentary Union discussed earlier (Knud Larsen 1984).

Even more important was the participation of the Scandinavian countries in the League of Nations. Denmark, Norway, and Sweden were among the original members; Finland was admitted in 1920. Since 1923 the three kingdoms were holding one of the non-member seats in the League Council on a rotating basis, which contributed to the perception of these countries as a group. A particularly notable Scandinavian representative was Norwegian scientist, explorer and politician, Fritjof Nansen, who became well-known as the League’s High Commissioner and a tireless advocate for refugees. His name was also associated with the so called Nansen passport, which was a
travel document issued by the League to stateless persons (Derry 1978). By coordinating their efforts, the Nordic countries increased their influence. Götz (2009) writes: “Due to their skillful politics widely recognized in the literature on the League of Nations, the Scandinavian countries assumed a prominent role in Geneva, exerting leadership not just as spokespersons for the small states but to some degree as vanguard of the League as a whole” (2009, 40).

Another international organization was the International Labor Organization (ILO), established by the Versailles Peace Treaty in 1919. The Scandinavian countries were also active in this IO. Their representatives were meeting to discuss the ILO’s agenda and this cooperation also spawned cooperation on Nordic labor issues. As mentioned earlier, regular meetings of ministers responsible for this sector started in the 1920s (F. Wendt 1981). Kettunen also points out that

Nordic cooperation achieved a recognized status in the administration of the ILO. Thus, these countries had common mandates in the governing body and in various committees. All three groups [the representatives of the employers, unions and the governments] established their own practices, including for instance preparatory meetings in Geneva at the beginning of labor conferences. (Kettunen 2009, 72)

Cooperation in the area of labor issues has been a strong component of the post-World War II Nordic agenda.

Peaceful Resolution of Contentious Issues

While the cooperation and contacts between the Nordic countries intensified, there
were also potentially volatile situations. However, by the twentieth century, peaceful resolutions have become the way these countries solve their differences. In addition to the peaceful dissolution of the Union between Sweden and Norway, there are several other examples when military conflicts were avoided.

Perhaps the best known internationally is the dispute between Sweden and Finland over the Åland Islands in the early 1920s, which is often cited as one of the success stories of the League of Nations. The Åland Islands had been Swedish for centuries until Sweden lost them together with Finland in 1809 and the archipelago became a part of the Grand Duchy of Finland under the rule of the Russian czars. After Finland declared independence in 1917, the issue was revived. The vast majority of the Åland population spoke Swedish and in a referendum expressed a wish to become a part of Sweden. The proximity of the archipelago to Stockholm made it also strategically important. The case was submitted to the League of Nations, which decided in favor of Finland, but Åland was recognized as an autonomous region and Ålanders were guaranteed language rights. The legal regime continues to exist even after Finland joined the EU (Joenniemi 2003). In addition to the existence of a security community in the area, Mouritzen (2004) gives a great deal of credit for the peaceful resolution of this conflict to Swedish internationalism that had developed in the nineteenth century.

Another territorial dispute in the region arose between Norway and Denmark. The issue was the sovereignty of Eastern Greenland, which Norway called Eirik Raudes Land (Eric the Red’s Land) for a Viking explorer of Norwegian origin. Norway officially proclaimed occupation on July 10, 1931. The dispute was submitted to the Permanent Court of International Justice in The Hague, which in 1933 decided in favor of Denmark.
and confirmed Danish sovereignty over the whole Greenland (Permanent Court of International Justice 1933). As F. Wendt (1981) puts it, “emotions were highly charged on both sides” (1981, 24); nevertheless, both countries accepted the decision of the court. Similarly to the Åland case, the peaceful resolution of Greenland dispute is often cited as an example when a sense of community and cultural affinity becomes an important factor in the peaceful resolution (Neumann 1992b).

Some issues, especially the Åland conflict, could have easily led to a military confrontation; other issues were just casting a shadow over the relationships between countries. One such example was the dispute between Denmark and Iceland over medieval manuscripts collected in Iceland in the 17th and 18th centuries that were in the possession of the University of Copenhagen, the [Danish] State Archive and other collections in Denmark. Some of the documents were returned in 1930, when Iceland celebrated thousand years of the establishment of the state. Even after that, the ancient documents continued to be a bone of contention until the ministers of culture of Iceland and Denmark agreed on dividing the documents in 1961. All of the manuscripts that were considered important parts of the Icelandic heritage were returned to Iceland between 1971 and 1997, when the transfer was completed (G. Karlsson 2003). This Danish gesture has been praised by Icelandic historians as unique and generous (Hjálmarsson 1993; G. Karlsson 2003). It also greatly improved the relations between the two countries. “If anything was left at this time of the old hatred toward the Danes among Icelanders, it quickly faded away” (Hjálmarsson 1993, 178).
The World War II Era

The attempts to stay out of the conflict similarly to World War I failed. The only country that managed to avoid being drawn into the war was Sweden. In 1939, Finland was attacked by the Soviet Union, and the Winter War followed (1939-1940). During the Winter War there was a strong support for Finland all over the Nordic region. Sweden provided military material and loans to Finland and volunteers joined the Finns in their fight against the Soviet Union (Wahlbäck 2000). Subsequently, Finland was involved in two more wars, the Continuation War (1941-44)²¹ against the Soviet Union and the Lapland War in 1945 against Germany. Denmark was occupied by Germany in 1940 and the same year Norway was also invaded, defeated and subsequently occupied by Germany. Sweden remained non-belligerent, making concessions to various German demands in the early years of World War II and drawing German complaints for neutrality breaches in favor of the Allies after 1943 (I. Andersson 1970; Malmström 1965; Wahlbäck 2000).

There is also another, rarely mentioned example of a Nordic non-war. Mouritzen (2004) writes that when Sweden was considering entering the war on the side of the Allies, one of the objections raised was that Sweden would wind up at war with Finland, which was considered unacceptable.

During World War II the Nordic countries came closer together. It is true that there

²¹ Finland became a co-belligerent of Germany but not an ally. Finland has always emphasized that the Continuation War was a separate war for national reasons (Nøkleby 1983; Klinge 2003). The name of the war, the Continuation War, underscores the connection with the Winter War (Klinge 2003). Finland had to pay war reparations in the form of goods to the Soviet Union until 1952 (Klinge 2003).
was some resentment in Norway and Denmark that Sweden managed to stay out of the conflict and early during the war allowed German transports over its territory, but the war-time cooperation mostly had a positive impact on the relations between the Nordics (Karen Larsen 1948, F. Wendt 1981). Swedish neutrality certainly benefitted the rest of the region. While different sources give slightly different numbers, the following data give an idea of the extent of the aid Sweden provided to its neighbors. During the war, as many as 70,000 children from Finland were evacuated, most of them to Sweden, but a smaller group also to Denmark (Korppi-Tommola 2008, 446). Overall, about 60,000 members of the Norwegian resistance escaped to Sweden (Gordon 1986, 657). In 1943, Sweden permitted training of Norwegian and Danish police units on its territory. There were 8,700 Norwegians in these training camps and about half of that number of Danes (Derry 1979, 348). In 1943, 7,220 Danish Jews were granted asylum in Sweden (Werner 2002, 3). Before the end of the war, the Swedish Red Cross, led by Folke Bernadotte, a member of the Swedish royal family, organized a rescue mission to bring Norwegian and Danish prisoners from German concentration camps to Sweden. About 7,000 Norwegians and Danes were rescued (Derry 1979, 350). According to Nøkleby, in December 1944, there were more than 193,000 refugees in Sweden (1983, 317).

It was also during World War II, in October 1943, that Sweden allowed citizens of other Nordic countries to work in Sweden without a work permit. This arrangement benefitted refugees from Norway and Denmark as well as the Swedish economy. It led to the Labor Market Convention between Sweden and Denmark ratified in 1946 and in 1954 to the common labor market between Denmark, Finland, Sweden and Norway (Wendt 1981, 220). Other forms of aid included food and interest-free credits and loans both
Nordic solidarity strengthened during the war. Norden Associations could not be active in occupied Norway, but in the other countries the memberships increased considerably. In Denmark, the idea of Nordic solidarity was strengthening Danish patriotism. In Sweden, the Norden Association was involved in helping refugees from other Nordic countries (F. Wendt 1947).

During World War II, the idea of a common state appeared again and had some support. The discussions were mostly going on in Sweden. For example, in 1944 Franzen writes:

> During the past year the bookstore counters have been filled with publications carrying the titles: *The United States of the North*, by K. Petander and others; *The Cause of the North is Ours*, by the ex-foreign minister R. Sandler; *Scandinavianism, Nordism, and Defense Alliance*, by P. Reuterswald; and *The North in the World*, by T. Holm. (Franzen 1944, 156)

Franzen admits that the enthusiasm for a Nordic federation was not universal. The determination to cooperate, though, was widespread and would eventually lead to the establishment of more formal institutions.

**The Beginnings of Formal Cooperation after World War II**

Immediately after the war there were several initiatives and collaborative projects, even though not all of them were successful.

The first major Nordic institution established after the war was the Nordic Cultural
Commission (Nordiska kulturkommission, NKK), founded in 1946. The initiative came from a meeting of Nordic Ministers of Education. Sweden, Denmark, Norway and Iceland joined first. Finland was very careful with its western contacts because of possible reaction by the Soviet Union, but it did join a year later. The NKK was an intergovernmental organization (IGO). There had been a hundred year-long history of cooperation in the cultural and educational spheres, but the new feature was that now the cooperation included government involvement and became formalized. The commission’s agenda reflected a relatively broad understanding of culture. There were three sections—universities and research; school issues; and folk education and arts. Early on the commission suffered from very limited resources due to the shortages after the war but had some very enthusiastic leaders. Some of the accomplishments of the Nordic Cultural Commission also included spreading knowledge about the Nordics abroad. One example was the founding of *Cooperation and Conflict*\(^{22}\) in 1965. It is an English-language journal that was meant to present the research of Nordic social scientists to international community. The NKK existed until 1972. After the establishment of the Nordic Council of Ministers in 1971 it was subsumed by the new organization (Andrén\(^{23}\) 2000a).

There were other cooperation projects after World War II. An example of a successful economic cooperation is the creation of Scandinavian Airline System (SAS) in 1946. It consisted of the Danish, Norwegian and Swedish national airlines. First the cooperation  

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\(^{22}\) In the 1990s, the Nordic International Studies Association (NISA) took over the responsibility for the journal. Today it publishes contributions from scholars from other countries as well and the topics are not limited to the Nordic region.  

\(^{23}\) For many years, Nils Andrén, a political science professor, was the Swedish Secretary of the Commission.
was limited to transcontinental flights to North and South America and later also to Asia. In Europe the national companies operated individually, but gradually the routes also began to be served by the syndicate. Besides saving costs, the cooperation was also useful in “air transport diplomacy,” concerning for example the landing rights in foreign countries. Sometimes the negotiations were conducted by one of the foreign ministers or their representatives, but “on special occasions all three ambassadors have gone to the government in a foreign capital to give the Nordic views additional emphasis” (F. Wendt 1981, 201).

Not all ambitions were successfully realized. A major failure was an attempt to create a defense union between Sweden, Norway and Denmark. The negotiations took place in 1948-49. However, different experiences during World War II, different geographical situations, security concerns and visions of each country played a role. Norway and Denmark decided to join NATO instead (Wahlbäck 2000). Sweden remained non-aligned. In 1948 Finland signed the Agreement of Friendship, Cooperation and Mutual Assistance (also known as the FCMA Treaty) with the Soviet Union. One of the articles in the Treaty stipulated that there would be consultations between the two signatories if a threat of attack against Finland by Germany or its allies arose. At the same time, from the Finnish point of view, it was important that the preamble contained a statement acknowledging Finland’s wish to remain outside the conflict of the great powers (Molin 1983). Finland remained officially neutral, but it had to be constantly mindful of its powerful neighbor. However, as for example Tunander (1999) writes, secret security cooperation among Nordic countries existed throughout the Cold War period. Jan Erik

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24 The Treaty was in effect until 1991.
Enestam,\textsuperscript{25} former defense minister of Finland, confirmed that cooperation existed during the Cold War (2010, personal communication).

Another unsuccessful initiative that started in the late 1940s was a Nordic Customs Union\textsuperscript{26}. The negotiations continued for twelve years throughout the 1950s but eventually failed. In 1960 the European Free Trade Association (EFTA) was created and this broader association became more attractive than a limited Nordic union. Norway, Denmark and Sweden were among the founding members; Finland and Iceland joined later (Wiklund and Sundelius 1979). It is also worth mentioning that, as von Bonsdorff (1965) pointed out, the trade in the area increased after EFTA was established and that way, it benefitted the Nordic cooperation.

The failure to reach an agreement on the defense union was a major disappointment to the elites (Herlitz 1959; Anderson 1967; Wiklund and Sundelius 1979; Laursen and Olesen 2000), but it did not mean that the idea of cooperation was abandoned. In August 1951, at the meeting of the Nordic Inter-parliamentary Union in Stockholm, Danish politician Hans Hedtoft\textsuperscript{27} proposed the establishment of the Nordic Council. In October of the same year, a committee met in Copenhagen. Nils Herlitz drafted the Statute (Sundelius and Wiklund 2000d; Wiklund 2012). The following year, the Nordic Council was founded by Denmark, Iceland, Norway and Sweden. Finland participated in the initial negotiations, but decided not to join because of the negative perception of the

\textsuperscript{25} Jan Erik Enestam is currently the Secretary-General of the Nordic Council. He has held several cabinet posts in Finland, among them Minister of Defense (twice), Minister of the Interior and Minister of the Environment (Jan Erik Enestam CV).

\textsuperscript{26} The negotiations regarding the Nordic Customs Union and the Nordic Defence Union are described in detail by Haskel (1976).

\textsuperscript{27} Hedtoft is considered one of the founding fathers of the Nordic Council. He became the first President of the Nordic Council in 1953. He also held the position of the Prime Minister of Denmark (1947-50 and 1953-55).
Nordic Council by the Soviet Union. By 1955, the Soviet Union’s position had softened and Finland became a member as well (F. Wendt 1981, 37).

Even though the Nordic Cultural Commission was established in 1946 and as I have shown, there were several examples of a successful cooperation after World War II, it is usually the founding of the Nordic Council in 1952 that is considered the milestone marking the beginning of the post-World War II cooperation. The Nordic Council symbolized the intent to cooperate both domestically and internationally, formalized the cooperation and spawned many other institutions. The institutional arrangement that has developed after the establishment of the Nordic Council will be discussed in the following chapter.
CHAPTER 4: THE POST-WORLD WAR II NORDIC COOPERATION AND ITS MAIN INSTITUTIONS

In Chapter 3 we have seen the emergence of the idea that the Nordic countries have a special relationship. Peaceful resolution of differences and voluntary cooperation became principles guiding their mutual relations. The establishment of the Nordic Council in 1952 was a milestone, marking a new era of more formal and extensive institutional arrangement. In this chapter I will discuss the wide range of institutions that form the Nordic cooperation.

The Nordic institutional arrangement is comprised of international organizations and formal treaties as well as less formal agreements, programs and informal contacts at different levels. We can think about it as as a system of *nested institutions/regimes*. The idea of nesting of institutions and institutional linkages is used by several authors (e. g. Young 1999; Aggarwal 1998). Young writes: “[I]ndividual regimes may be nested into overarching institutional arrangements or integrated into larger structures pertaining to broader issue areas” (1999, 6). The Nordic system largely conforms to Young’s description. He talks about both horizontal and vertical (hierarchical) arrangements and about “an increasingly complex web of interactive relationships” that are created around the regimes (Young 1999, 120). Aggarwal (1998) points out that large institutional arrangements are often based on norms and principles. He calls them *meta-regimes*. Friendly cooperation based on national sovereignty is such a norm and the Helsinki Treaty discussed below codifies this norm.

Young’s description actually bears similarities to the observation by Swedish political scientist Nils Andrén, who likened the Nordic institutional network to a cob web (Andrén
1967). The metaphor of a cob web also captures the incremental growth of this system. On the other hand, the metaphor does not fully describe the complicated nature of the cooperation. A cob web is usually quite symmetrical and regular while the Nordic system is rather entangled and some links are not easily visible because of the often informal nature of cooperation. The actors involved in Nordic cooperation belong to both the public and the private sphere, and the cooperation often blurs the boundaries between the domestic and the international sphere (cf. Sundelius 1976b, 1978).

At the same time, the institutional arrangements result not only from the preferences and concerns of the participants but also from the powers outside the region. During the Cold War it was the bipolar system. In the post-Cold War period, the EU and the processes of globalization have been influencing the Nordic institutions. The changes during the last two decades will be the focus of the following chapter.

The Nordic cooperation is centered on three pillars – The Nordic Council, the Helsinki Treaty, and the Nordic Council of Ministers. These are the most visible Nordic institutions. The Helsinki Treaty could be described as a meta-regime, while the specific conventions and collaborative practices could be labeled as regimes/institutions. The Helsinki Treaty also broadly defines the roles of the two councils. However, I will present the three pillars in the order they were established, which itself may provide some insights into the character and design (or sometimes unusual pattern) of Nordic cooperation.

28 Unless specified otherwise, the information on Nordic cooperation and its institutions is based on the materials available on the official Web site of the Nordic Council and the Nordic Council of Ministers.
The Nordic Council

The Nordic Council was founded in 1952. Article 1 of the Statute defines the Nordic Council in rather minimalist terms as “a body formed for the purpose of consultation among the Rigsdag of Denmark, the Althing of Iceland, the Storting of Norway and the Riksdag29 of Sweden and the governments of Denmark, Iceland, Norway and Sweden in matters involving joint action by any or all of these countries.”

The original members were just the four countries mentioned above. Finnish representatives participated in the preparations but did not join because of the negative perception of the Nordic Council by the Soviet press (F. Wendt 1981), or as Herlitz (1959) puts it, “Finland had reluctantly stayed outside, mainly out of regard for the delicacy of its relations with the Soviet Union” (43). In the Statute, Finland was remembered in Article 3 that reads “Upon a request by Finland, Finnish representatives may take part in the deliberations and decisions of the Council” (Statute of the Council 1952). Finland did not officially participate, but Andrén tells us that some Finnish politicians attended the Nordic Council sessions in the capacity of journalists (2000b, 281). Finland also participated in many Nordic activities and in the Nordic Inter-Parliamentary Union, which was preserved for Finland’s sake, but the Finnish foreign minister did not participate in the meetings of the Nordic Foreign Ministers. In 1955, when the Soviet attitudes towards Nordic cooperation had softened,30 Finland was able to

29 The Rigsdag, the Althing, the Storting and the Riksdag are the parliaments of Denmark, Iceland, Norway and Sweden respectively. In 1953 the Danish parliament changed from bicameral to unicameral. It is now called the Folketing, which was one of the two houses in the old Rigsdag.
30 Stalin died in 1953, and Nikita Khrushchev was more open to the idea of Finnish
become a full member of the Council and attended for the first time the session of the Council in January 1956 (F. Wendt 1981; cf. Branders 2005).

As an international organization, the Nordic Council is somewhat anomalous. For example, Cupitt, Whitlock, and Whitlock define international organizations as “organizations created by three or more governments, based on a formal agreement, and having some permanent secretariat or headquarters” (2001, 51). When the Nordic Council was founded, it did not even fit this conventional definition. There was no formal treaty. Instead, the national parliaments in the member countries each adopted an identical or very similar statute, thus expressing their will to cooperate in the Nordic Council. The Council was considered established after the parliaments in Denmark, Norway and Sweden approved the Statute. Each country followed its national procedures required by law (Herlitz 1969; Petrén 1959). Iceland became a member after its parliament also approved the Statute. The first session took place in Copenhagen on February 27, 1953. A formal treaty, the so called Helsinki Treaty, was adopted ten years later, in 1962 (see below).

Also, both Petrén31 (1959) and Herlitz32 (1969) observe that the structure and procedures adopted by the Nordic Council were not modeled on other international organizations. Rather, the parliamentarians adopted procedures and rules resembling

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31 Gustaf Petrén was a prominent law professor, a member of the Swedish parliament and for several years the head of the Swedish delegation to the Nordic Council.
32 Nils Herlitz is considered one of the founding fathers of the Nordic Council (Tønnesson 2002). He was a legal scholar and a member of the Swedish parliament. In 1951 he drafted the Statute of the Nordic Council (Sundelius and Wiklund 2000c). He was the President of the Nordic Council in 1955.
those they knew from their work at the national parliaments.

Originally, there was no secretariat or headquarters either. Each country had a national secretariat within its national parliament. These secretariats carried out the necessary tasks (Herlitz 1969; Andrén 1964). As Petrén (1959) describes the early years, there were no Nordic civil servants. Each country was responsible for its own delegation. The Nordic Council got its headquarters much later, in 1971, when the Secretariat of the Nordic Council Presidium was established in Stockholm. Emil Vindsetmo from Norway became the first Secretary General. The current Secretary General, Jan-Erik Enestam from Finland, has held the position since 2007.

During the reform in the 1990s, the Secretariat of the Nordic Council was moved to Copenhagen. Today the Secretariats of the Nordic Council and the Nordic Council of Ministers share the same building, the web site www.norden.org and several departments. The secretariat is headed by a Secretary General. He and the secretariat work year round, but the apparatus remains relatively small.

In 1953, at the time of its first session, the Nordic Council had 53 members; Denmark, Norway and Sweden had 16 each and Iceland had 5 members. After Finland joined, the total number was 69. Today the Council has 87 members and there are an equal number of deputies. The national delegations of Denmark, Finland, Norway and Sweden have 20 members each, and Iceland has 7. The members of the Council (as well as the deputies) are members of national parliaments. Since 1970, Åland and the Faroe Islands have had two delegates each within their respective national delegations; Greenland has been represented since 1984, also by two delegates within the Danish delegation. The representatives are chosen by the legislative bodies in the autonomous territories.
Members are elected for one year, but many of them are re-elected and serve for a number of years.

Article 2 of the 1952 Statute mentions delegates “representing different political opinions.” However, according to Sundelius and Wiklund (2000c), politicization of the Council based on party affiliation became an important factor later, starting in 1973. Today, the Council members are selected by party groups. The national delegations thus reflect the ideological composition of their respective national parliaments. Within the Council, most elected members belong to party groups and meet within these groups. Currently (2012) there are four groups of parties with similar ideologies: the Left-wing Socialist Green Group, the Social Democratic Group, the Centre Group and the Conservative Group. About 20 per cent of current members do not belong to any of these groups. For a group to be recognized, it must have at least four members from at least two countries. The party groups meet and work together throughout the year.

The governments are represented by government ministers. Usually, the Prime Ministers and Ministers of Foreign Affairs are present at the Session, but other ministers can attend, too. The Ministers of Defense started attending the sessions in 1997 (Sundelius and Wiklund 2000d). This was an important shift since defense was not on the agenda during the Cold War. Only the parliamentarians can vote, but the presence of the government representatives is essential. As Laursen and Olesen point out,

By having cabinet ministers join the national parliamentary delegations, take part in plenary debates and discuss proposals with the Council’s committees, a direct link is established between this body and the national executives, thus facilitating

33 More about the role of the party groups can be found in Johansson and Larsen (2000).
a harmonization of the political agendas at the Nordic and national levels

(Laursen and Olesen 2000, 73).

The Plenary Assembly is the highest organ of the Council. It takes place usually once a year\(^{34}\). In recent years the ordinary annual sessions have been in the fall. The Presidency of the Council rotates among the members. Both the President and the Vice-president are from the country that holds the presidency. The Plenary Session, held in the country that holds the Presidency, is the platform where discussions take place and recommendations are adopted. There can also be extraordinary sessions. For example, there was an extraordinary session in 1989 focused on the program *Norden and Europe*. Sometimes there are also so called “theme sessions” focused on a specific topic. The Presidium, composed of the President, vice-president and eleven additional members meets several times a year. For example, in 2011 it met six times.

Besides the Presidium, there are five standing committees based on issue areas in which the member countries cooperate. Currently there are the following committees:\(^{35}\)

- Culture, Education and Training committee
- Citizens and Consumer Rights Committee
- The Environment and Natural Resources Committee
- Business and Industry Committee
- Welfare Committee

In addition, there are two more committees -- the Election Committee, which is in charge of elections; and the Control Committee, which oversees the work financed by Nordic

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\(^{34}\) For example, in the years 1973-75 and again in 1992-95 there were two sessions per year (Sundelius and Wiklund 2000d).

\(^{35}\) The changes in the numbers of committees will be discussed in the following chapter.
funds.

Each national delegation also has a secretariat within its country’s national parliament. Throughout the year, the members of the delegation meet about once a month and participate in the work of the Nordic Council through the Council’s committees named above and the Presidium. The members also work within their party groups.

It is worth noting that members of the Nordic Council have often been prominent members of their parties and many have held important governmental positions in their countries. The position of the Council’s President has been quite prestigious. There have been several Prime Ministers who held the positions of the Council’s President, for example Hans Hedtoft, Erik Eriksen, Jens Otto Krag and Anker Jørgensen from Denmark; Einar Gerhardsen, Tryggve Bratteli and Kåre Willoch from Norway; Karl-August Fagerholm and V. J. Sukselainen from Finland; Olof Palme from Sweden; and Geir Haarde from Iceland. Bertil Ohlin was a leader of the Liberal Party (Folkpartiet liberalerna) in Sweden and a Nobel Prize-winning economist. Karin Söder, who held the position twice, was the first female Minister for Foreign Affairs of Sweden (1976-78) and the first woman to lead the Centre Party (Centerpartiet). Knud Engaard from Denmark has held ministerial position in several governments. Erkki Tuomioja, currently the Minister of Foreign Affairs of Finland, was the President of the Nordic Council in 2008.

When it was established, the Nordic Council was given very little power. According to its Statute, the Council could set its own rules and procedures, but other than that, it just made recommendations to the governments. It was not set up as a transnational body. Herlitz writes, “It is … noteworthy that the countries have not been ready to give up practically anything of their sovereignty. Cooperation has developed on the basis of
national self-determination” (1969, 245). Respect for national sovereignty has been one of the basic norms of Nordic cooperation.

However, the Nordic Council has always been able to put some pressure on the governments. Article 11 of the original Statute stated that government representatives were supposed to report back to the Council on the steps taken in response to the recommendations. Today, the Nordic Council presents its proposals and recommendations to the Nordic Council of Ministers and to national governments for implementation. At every session, the Nordic Council of Ministers reports back what has been accomplished. The members of the Nordic Council also see to it that the national parliaments work toward implementation of the Council’s recommendations. It has been repeatedly observed that in spite of the lack of power, there has been a strong sense of moral obligation. As Herlitz puts it,

[M]oral forces may afford a greater strength than legal obligations. The representatives of different states will often, under a pressure to reach a common interest to reach a result and of public opinion, feel forced to set national views aside in order to reach unity. And they will generally hesitate to abandon a common activity. (Herlitz 1969, 246)

There is evidence to support such statements. Within a few years after the establishment of the Nordic Council, there were several highly visible accomplishments, such as a passport union (1952), free labor market (1954), and the Nordic citizens’ access to social benefits anywhere in the region (1955). These results are very impressive. In fact, only recently were similar achievements – for example passport union and common labor market-- achieved by the EU. Laursen and Olesen (2000) point out that in low-politics,
compared to the Nordic region, “the EU’s achievements are still patchy and incomplete” (60).

While some recommendations have been realized by adopting identical or similar laws in the member countries (i.e. by parallel action), many have also led to international treaties that are binding (to the extent that international law is binding). International treaties among the Nordics will be further discussed later in this chapter.

**The Helsinki Treaty**

The Treaty of Co-operation between Denmark, Finland, Iceland, Norway and Sweden, commonly referred to as the Helsinki Treaty, was signed on 23 March, 1962, and entered into force on 1 July, 1962. When the Nordic Council had been established a decade earlier, no formal treaty was adopted; the national parliaments in the member countries each adopted an identical or almost identical declaration expressing their intent to cooperate and participate in the Nordic Council. As F. Wendt (1981) explains, the proposal to have a formal and more binding treaty resulted from the developments at that time. The Treaty was supposed to clarify the goals of the Nordic cooperation to the EEC that some members were considering to join. It was also intended to strengthen the unity of the Nordics in a situation of increased Soviet criticism of NATO and increased pressure on Finland. Norwegian Prime Minister at that time, Einar Gerhadsen, said that the Treaty “can be of value to our mutual relations, but perhaps even more of value for

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36 The texts of the Helsinki Treaty in the original languages as well as in English are available on the Nordic Council and Nordic Council of Ministers – Web site Norden.org. International treaties, including those between Nordic countries, can also be found in the United Nations Treaty Collections.
our relations with the rest of the world. The agreement should make it clear that Nordic solidarity has ancient roots which are difficult to uproot, and that we are firmly determined to further extend our cooperation” (F. Wendt 1981, 41).

The Helsinki Treaty is often described as a codification of the goals and methods of cooperation among the signatories (F. Wendt 1981, 39; C. Wiklund 2000a, 102). The Preamble to the Treaty of 23 March 1962, expresses the fact that the Treaty formalizes existing cooperation quite clearly:

The Governments of Denmark, Finland, Iceland, Norway and Sweden, desiring to promote and strengthen the close ties existing between the Nordic peoples in matters of culture, and of legal and social philosophy, and to extend the scale of cooperation between the Nordic countries;
Desiring to attain uniformity of regulation throughout the Nordic countries in as many respects as possible;
Desiring to achieve where possible, an appropriate division of labour in all those fields;
Desiring to continue the cooperation efforts of significance to the Nordic countries that take place within the Nordic Council and other cooperative agencies, have agreed to the following provisions Y (The Helsinki Treaty)

The 1962 Treaty consisted of the preamble plus forty articles. Specifically named were five areas of cooperation—legal, cultural, social, economic, and transport and communication. It also had a section labeled “Other Forms of Cooperation.” In this section were some provisions regarding foreign policy. Article 30 included consulting each other regarding issues of common interest in international organizations and at
conferences. Article 31 addressed help by “officials in foreign service” to the nationals of other Nordic countries if their own country did not have a representation. Article 32 covered coordination of foreign aid to developing countries and Article 33 dissemination of knowledge about the Nordics outside the region. Even though the areas of cooperation are general, Wiklund (2000) points out that in the Helsinki Treaty, it was the first time that any goals were actually formulated.

Not mentioned at all was any kind of security and defense cooperation. Such provision would have raised suspicion in the Soviet Union and caused problems for Finland. In fact, when Finland joined, it was stated in the Finnish parliament that the Nordic Council would deal with Nordic issues and that if any military issues were raised, Finland would not participate in such debates (F. Wendt 1981; Andrén 2000b). However, even though some issues were never on the official agenda, they were discussed. Andrén (2000b) implies that what was happening in the lobbies was a different story. He uses the metaphor of “cursing in church.” It was clearly taboo to curse in church, but he writes, “One can perhaps suspect that politicians acted like farm hands – they cursed on the church hill instead” (279; my translation). The line between the predominantly low politics on the Nordic Council’s agenda and high politics likely discussed outside of the official sessions thus becomes blurred. At the same time, Andrén (2000b) writes about several attempts to challenge the norm of excluding the issues of foreign policy and security from the agenda, for example attempts to put peace resolutions along the lines of Soviet propaganda on the agenda. The Nordic Council generally was able to resist these attempts by labeling these issues “foreign policy” and thus not issues the Council should
deal with.\textsuperscript{37}

One notable exception from the practice was the support for Iceland during the “Cod Wars,” a conflict over fishing rights primarily with the United Kingdom. The Nordic Council supported the Icelandic cause. In 1954 the NC adopted a recommendation and in 1976 the Presidium issued a special declaration expressing unequivocal support for the “Icelandic brother-people.” The dispute threatened a rift in NATO and possible abrogation of the treaty regarding the U.S. base in Keflavik. The Nordic foreign ministers also issued a joint communiqué. Norway mediated the conflict and a resolution was found (Stålvant 1988, 450-1; cf. Wendt 1981; Helgadóttir 2002; Engaard 2002b).

The Helsinki Treaty has been amended several times – in 1971, 1974, 1983, 1985, 1991, 1993, and 1995. Thirty of the current 70 articles have been added and some articles have been reworded. In 1971 specific agreements were included regarding the Nordic Council and the Nordic Council of Ministers, which was established that year. In 1974 another major area of cooperation – the environment – was added. In 1985 the self-governing regions, Greenland, Faroe Islands and Åland gained more influence in the Nordic Council. In 1993 cooperation and consultations among the Nordics vis-à-vis the European Union were included and in 1995 the signatories agreed on structural changes and the three main areas of cooperation were identified as Intra-Nordic, Near Abroad\textsuperscript{38} and Europe (C. Wiklund 2000a). Besides often formalizing existing cooperation, the amendments in general show an incremental broadening and deepening of the

\textsuperscript{37} Wendt (1981) chronicles the attempts to put these issues on the agenda of the Nordic Council, but, writing during the Cold War, he does not openly label them “Soviet propaganda” like Andrén does.

\textsuperscript{38} This area focuses mainly on the cooperation with neighboring countries in the Arctic and in the region around the Baltic Sea.
cooperation and most recently, adjustments to the international situation, especially the developments in the EU. As Claes Wiklund points out, “Whenever something big happens in the Nordic cooperation, it is reflected by the amendments” (2000a, 103; my translation). Also each time the Treaty has been amended, the contracting parties have reasserted their commitment to cooperation.

The Helsinki Treaty is a soft law. The language is often hortatory; the signatories express their intention to cooperate, pool resources and practice division of labor for mutual benefit. Formulations such as the parties “should endeavor to ensure” and qualifications, such as “whenever it appears possible and appropriate” sound rather vague and open to conflicting interpretations. However, again, there has been a sense of moral obligation and a will to find solutions, which have made the cooperation far more effective than the Treaty may suggest. When the Treaty was signed, for example, John Lyng, a member of the Norwegian delegation to the Nordic Council said:

It is not a treaty which formally and juridically creates any new duties or rights for those who have signed it. It does not create new binding treaty rights. But it gives an organized expression of the desire for broad and genuine cooperation, and is morally binding like any declaration of this type, particularly so in the light of the background and historic situation which produced it. (F. Wendt 1981, 41)

According to Frantz Wendt\(^\text{39}\) (1981), some of the non-binding formulations were used to

\(^{39}\) Frantz Wendt was the Secretary General of the Danish delegation to the Nordic Council from 1952 till 1975. He published several books where he chronicles the creation and evolution of the Nordic institutions and describes how the cooperation works in practice, based on his first hand experience. His books on the Nordic Council remain among the most frequently cited sources on the history of the organization.
achieve consensus. In reality the Helsinki Treaty has been taken much more seriously by the signatories than what the rather general wording would suggest. Wendt (1981) tells us that the articles of the Treaty were frequently invoked by the members of the Nordic Council as if they were laws. I have also found the Helsinki Treaty used in justifying the appropriations of funds in the Swedish parliament.

There is an example from 1965 showing that the Helsinki Treaty was indeed considered binding. One of the Helsinki Treaty articles stipulates that “the contracting parties should, whenever possible and appropriate, consult one another regarding questions of mutual interest which are dealt with by international organizations and at international conferences.” The Danish delegation at the UN general assembly voted for a resolution against South Africa’s policy of apartheid without informing the other Nordics, who intended to abstain because in their opinion the proper venue for the issue was the Security Council. The Danish failure “to consult” the other delegations was considered a violation of the Helsinki Treaty and Denmark was criticized at the 1966 session of the Nordic Council (F. Wendt 1981, 371-2; Andrén 1967; Lidström and Wiklund 1967; Miljan 1977).

Also, the Treaty paved way for many multilateral and bilateral conventions and agreements. Many of the goals have been met to a large degree. Among other achievements were harmonization of education, recognition of diplomas and professional

Abbott and Snidal (2000) also argue that soft laws have a number of advantages. For example, agreements are easier to reach and soft law encroaches less on the states’ sovereignty.

The respect for the Treaty may be tied to cultural norms. Fisman and Miguel (2007) found that UN diplomats from the Nordic countries did not violate parking laws even in the absence of enforcement.

For example: Kungl. Maj:ts Prop nr 83 år 1973 [Royal Majesty’s Proposition No. 83, year 1973].
licenses, and harmonization of labor laws (Tunander 1999). Cooperation in international organizations created an image of the Nordics as a unified group (Thomas 1996; L. Wiklund 2000; Götz and Haggrén 2009b; Midtgaard 2009). Besides formal decisions, informal contacts among Nordic politicians, parties and public administration officials at all levels became commonplace (Sundelius 1978; Wendt 1981; Tunander 1999; Laursen and Olesen 2000).

The Nordic Council of Ministers

The Nordic Council of Ministers, established in 1971 through an amendment to the Helsinki Treaty, is the third pillar of Nordic cooperation. It is a forum for intergovernmental cooperation, while the Nordic Council is primarily a forum for parliamentarians. The Council of Ministers was being discussed at that time when negotiations about NORDEK, a far-reaching plan of economic cooperation, were going on, and it was felt that more permanent and effective institutions were needed. NORDEK failed, but the Nordic Council of Ministers was established. The Nordic Council of Ministers was an important milestone in Nordic cooperation. It not only preserved but also strengthened and expanded Nordic cooperation (F. Wendt 1981; Laursen and Olesen 2000).

The Nordic Council of Ministers has more power. Its decisions must be unanimous and are legally binding, although some decisions must be also approved by national parliaments, depending on national laws. Many Nordic institutions discussed below were established by the Nordic Council of Ministers and receive funding from its annual
The name the Nordic Council of Ministers is somewhat misleading since there are actually several councils under the umbrella of the Nordic Council of Ministers. These councils are based on sectors. Nordic ministers responsible for the same sector meet there and discuss matters of common interests. They meet one to five times a year. Meetings of Nordic ministers in several sectors started during the inter-war period and continued after World War II. The Nordic Councils of Ministers institutionalize and expand the meetings. The number of the councils has varied over the years. The following are the current Councils of Ministers:

Nordic Council of Ministers for Labor (MR-A)
Nordic Council of Ministers for Business, Energy and Regional Policy (MR-NER)
Council of Ministers for Fisheries and Aquaculture, Agriculture, Food and Forestry (MR-FJLS)
Council of Ministers for Gender Equality (MR-JÄM)
Nordic Council of Ministers for Culture (MR-K)
Nordic Council of Ministers for Legislative Affairs (MR-LAG)
Nordic Council of Ministers for the Environment (MR-M)
Nordic Council of Ministers for Health and Social Affairs (MR-S)
Nordic Council of Ministers for Education and Research (MR-U)
Council of Ministers for Finance (MR-FINANS)

It is also important to remember that according to the Helsinki Treaty, ministerial meetings also take place outside the Council of Ministers, both on a regular and ad hoc basis. For example, Defense Ministers and Foreign Ministers do not have a Council of
Ministers, but they do meet regularly outside of the Council of Ministers.

The Prime Ministers of the member countries are formally responsible for the Nordic cooperation even though the task is mostly delegated to the Ministers of Cooperation and the Nordic Committee for Cooperation, which is the executive organ of the Secretariat of the Nordic Council of Ministers. The members of the committee are senior civil servants. Currently there are eight committee members, one from each of the member countries and the three autonomous territories. There are also Nordic Committees of Senior Officials, which are responsible for day-to-day work of the Nordic Councils of Ministers. In most cases, their issue areas correspond with the portfolios of the nine Councils of Ministers, but there are for example, several committees dealing with fisheries, food, forestry and agriculture.

Like the Nordic Council, the Nordic Council of Ministers also has a rotating Presidency. The country holding the Presidency prepares an action plan, outlining general goals for the year. For example, in 2011, during Finland’s presidency, the central theme was the environment. In 2012 Norway holds the presidency, and the central theme of its plan is the welfare state. The Presidency of the two councils is never held by the same country.

The Nordic Council and the Nordic Council of Ministers are separate institutions, each with its own rules and procedures and its own secretariat and committees, but their work is interconnected and they complement each other. Originally, the Nordic Council of Ministers had a secretariat in Oslo, Norway. Since the 1970s, numerous secretariats, headquarters and other permanent organs have been established and located throughout the region. In 1972 the Nordic Cultural Secretariat, a part of the Nordic Council of
Ministers, was founded in Copenhagen, and in 1976 the Nordic Investment Bank headquarters was established in Helsinki (Sundelius and Wiklund 2000d). As Karin Söder, a former Swedish Minister of Foreign Affairs and a former president of the Nordic Council, puts it, this distribution of institutions was supposed to “keep the interest in the Nordic [cooperation] alive and jealousy [among the member countries] away” (Söder 2000, 10). In the 1990s, both the Secretariat of the Nordic Council and the Secretariat of the Nordic Council of Ministers were moved to Copenhagen, Denmark. Today, the secretariats of the two councils are located in the same building in Copenhagen, and they also share several departments – human relations, finance, service and communications. They also share the web site norden.org and the Nordic logo – a stylized white swan in a blue ring and the logotype Norden. The Nordic swan has eight quills that represent the five countries and three autonomous territories that form Norden. The logo appears on Nordic publications and on web sites of organizations and projects funded by the Nordic Council of Ministers.

The Nordic Council and the Nordic Council of Ministers are funded primarily by tax revenue from the member countries. Based on the Gross National Product the member countries contribute according to a key calculated every year (Nordiska ministerrådet 2011).

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43 According to Norden’s official web site, the logo was designed in 1985, but the idea of the five Nordic Swans appeared first on a poster in 1936 and was inspired by a poem by Hans Hartvig Seedorff Pedersen.

44 The 2010 values are from the Nordic Council of Ministers’ web site. The 2012 values are from Budget and planer 2012 [Budget and plans 2012], published by the Nordic Council of Ministers (2011).
<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Denmark</td>
<td>21.6%</td>
<td>22.18%</td>
</tr>
<tr>
<td>Finland</td>
<td>17.4%</td>
<td>17.79%</td>
</tr>
<tr>
<td>Iceland</td>
<td>1.2%</td>
<td>0.76%</td>
</tr>
<tr>
<td>Norway</td>
<td>28.1%</td>
<td>29.17%</td>
</tr>
<tr>
<td>Sweden</td>
<td>31.7%</td>
<td>30.10%</td>
</tr>
</tbody>
</table>

The total budget for the Nordic Council in 2010 was 30 million Danish Crowns/Kroner (DKK), and for the Nordic Council of Ministers it was 910,183,000 Danish Crowns (DKK). The planned budget for 2012 is 961,472,000 DKK\(^{45}\) in 2012 prices (Nordic Council of Ministers 2011). Only a small portion of the budget goes to the operating costs of the Secretariat. Most of the funds support fully or partly a large number of Nordic cultural and research institutes, committees and cooperative projects. Some of these institutions will be discussed later in this chapter.

**International Treaties**

The Nordic cooperation is often described as informal. Taking stock of its extent is difficult partly because many decisions are taken by national legislatures in what has been called “the parallel national action process” (Nielsson 1978; Nielsson 1990). Also, there are many national institutions that deal with Nordic cooperation (Stålvant 1988). However, contrary to the popular notion, there actually are numerous formal international

\(^{45}\) Based on the current exchange rate (March 2012) it is about 172 million US dollars.
treaties registered by the United Nations. There are 103 closed multilateral agreements in which all five Nordic countries participate. “Closed” in this case means that there are no other participants; in other words these are strictly treaties among the Nordic countries. Treaties that include fewer countries, including bilateral treaties, are traditionally considered Nordic, too, but are not included in this number. For illustration, the United Nations database also contains 44 bilateral treaties between Sweden and Denmark, 79 between Sweden and Finland, 9 between Sweden and Iceland, and 57 between Sweden and Norway. For comparison, there are fewer treaties with other countries in the same geographic area. Sweden has only 19 treaties with Poland, and Denmark has only 24 treaties with the Netherlands.

The total number of treaties also includes treaties between the Nordic countries that are amendments to older treaties. For example the Helsinki Treaty, which is an umbrella treaty (or a mega-regime), has been amended six times, so it is listed seven times. Several other treaties have also been amended. But the new amendments show that the treaties as institutions do not continue to exist solely due to inertia. Amendments to treaties often reiterate the contracting parties’ commitment to cooperation and they often extend the cooperation. More recently, the purpose of some amendments was to make previous Nordic treaties compatible with other commitments of the countries, especially within the EU and to ensure continued cooperation with the non-EU members, Norway and Iceland.

There is a wide variety of issues covered by the treaties. Obviously, the Helsinki Treaty is very broad; in fact, it does not explicitly exclude any kind of cooperation. It does not limit the forms either; it mentions cooperation within the Nordic Council and the

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Nordic Council of Ministers as well as ministerial meetings outside the framework of these bodies and both regular and ad hoc contacts among government officials in the Nordic countries.

Other treaties are more specific. Particularly important are treaties that established the Nordic passport union (1952), free labor market (1954), and the Nordic citizens’ access to social benefits anywhere in the region (1955). There are also treaties dealing with avoidance of double taxation, protection of trade marks, provision of unemployment benefits, recognition of diplomas and professional licenses, recognition and enforcements of legal judgments, the right of Nordic citizens to use their mother tongue in courts in other Nordic countries, reciprocity in providing maternity benefits, access to education, family law regarding marriage, adoption and guardianship, mutual payment of old-age pensions and other issues.

The bilateral treaties often have to do with border areas issues such as fishing in each other’s waters, transportation, and protections of certain areas from pollution. In some cases there are similar bilateral treaties between pairs of countries rather than one common treaty with multiple participants. Some of these treaties again are concerned with taxation, reciprocal payments of benefits, transportation, and other issues of interest to the contracting parties.

Several treaties pre-date the Nordic Council, for example the Treaties on Family Law from the 1930s, but the number of treaties increased considerably after the Nordic Council was established in 1952. Recently, there have also been agreements in which the three Baltic countries, Estonia, Latvia and Lithuania participate. The agreements with the Baltics are usually bilateral. An example of a multilateral treaty is the Agreement
between Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden concerning the Nordic Investment Bank from 2005.

Even though binding international treaties have been used, less binding agreements are often preferred. For example, in the area of legal cooperation, there may be “a framework treaty.” The contacting parties make a commitment to adopt identical national laws regarding a certain issue. An example of such a treaty is the Nordic Treaty of 1977 on the Recognition and Enforcement of Foreign Decisions in the Field of Private Law, which replaced an older treaty from the 1930s. It provided a broad framework for national legislation adopted by individual countries. An even less formal cooperation may take the form of “exchange of opinions among representatives of the Ministries of Justice” and such an exchange can lead to consensus and uniformity of the adopted legislation (Blomstrand47 2000, 60-61).

There seems to be considerable randomness as for which areas of cooperation are covered by an international treaty and which are based on other types, usually less formal agreements. For example, the United Nations Treaty Collection contains several agreements concerning the building and maintenance of reindeer fences in the border areas between Norway and Sweden or concerning the maintenance of common ocean weather stations. On the other hand, there is no specific treaty in the United Nations Treaty Collection regarding building and maintenance of the common areas and the surrounding wall at the Nordic Embassies complex in Berlin, built in 1999. The cooperation can be seen as part of the diplomatic cooperation broadly outlined by the Helsinki Treaty.

47 Severin Blomstrand is one of the sixteen justices (justitieråd) on the Swedish Supreme Court (Högsta domstolen).
Other Nordic Institutions

Nordic institutions with various labels such as committee, secretariat, institute, fund, council, working group, etc. can be found at various locations all over the region. Most of the institutions have been established gradually based on issues at hand and feasibility. Herlitz wrote about the Nordic Council: “[I]t has on the whole grown up in a pragmatic way, to satisfy specific practical needs which have appeared, and not according to a general scheme concerning aims, functions and organization” (1969, 245). The same can be said about the cooperation as a whole.

The most comprehensive list of institutions is perhaps in the booklet *Nordic Cooperation Organs*, published by the Nordic Council of Ministers in 1997. In addition to the two councils, and their numerous secretariats and committees, it lists 125 “permanent cooperation organs.”48 located throughout the region. According to the preface to the book the list is not complete. This publication came out after the major reorganization in 1995, so even though there have been some changes since 1997 (see Chapter 5), overall this number still gives a good idea about the whole Nordic network. The addresses of different institutions also show that they are spread around the region. Clearly, some institutions are located where they provide their specific services (for example, councils/committees serving cross-border regions), but there is no doubt that there has been a conscious effort to provide equal opportunity for all member countries to host these institutions and to make the cooperation visible around the region (cf. Söder

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48 This number does not include the Norden Associations, the Regional Information Offices, and Conference and Seminar Centers, which are also listed in the booklet and receive financial contributions from the Nordic Council of Ministers.
The network of “cooperation organs” includes multilateral organizations in which all members participate as well as organizations formed by two or more Nordic countries, based on their stake in a particular issue. Some of these institutions have a broad functional scope; in other words, they could be labeled as multipurpose. For example some cross-border committees deal with transportation, environment and culture. Others have a single purpose, for example research in maritime law.

There are many cultural and educational institutions, such as the Nordic Cultural Fund, Nordic TV and Film Fund, Nordic Music Committee and Nordic Literature and Library Committee. Highly visible are the Nordic Houses/Institutes, which are cultural establishments, funded by the Nordic Council of Ministers. The Nordic House *(Norræna húsið)* in Reykjavik was established in 1968. It is a jewel of modern architecture designed by the famous Finnish architect Alvar Aalto. It has a large library, exhibition halls and concert halls. The goal is to promote the Nordic cultures in Iceland and the Icelandic culture abroad (The Nordic House). Its success led to the establishment of similar centers in other places. Torshavn, Faroe Islands, also has its Nordic House, and Nordic Institutes are in Greenland and in Åland. The most recently established one in Helsinki, Finland. Research and education are also important areas of cooperation. They are generally considered an essential part of a broader understanding of culture. There are numerous joint research institutes and projects, such as research in the law of the sea, fisheries, energy, environmental issues, genetics, medicine, theoretical physics and many other areas.

Nordic cooperation has always been strong in the area of social issues, which reflects
the fact that the welfare state has been an important part of the Nordic identity. There are a number of institutions dealing with social issues and services, such as women=s and gender issues, people with disabilities, social services, criminal justice and job training to name just a few.

Particularly interesting examples of bilateral organizations are organs of cross-border cooperation, focusing on the joint solutions in border areas. Contacts in some of these sub-regions have a long history. Cooperation in some of the border areas was discussed at the Nordic Council sessions as early as in the 1950 and some municipalities around the borders started to work together. Since the 1970s the cooperation was stimulated by the Nordic Council of Ministers and several regional cooperative bodies were established (F. Wendt 1981).

One example is the Kvarken Council in the sub-region around the Kvarken Straight in the Gulf of Bothnia between Finland and Sweden. Another, the North Calotte Council was established to deal with issues of employment opportunities, transportation and reindeer husbandry in several counties of Norway, Sweden and Finland located above the Arctic Circle. Cooperation also existed in the sub-region of southern Sweden and the Danish Island of Zealand (Sjælland) (F. Wendt 1981). For a long time there had been talk about a bridge to connect the regions (Tønnesson 2002). The Öresund Bridge between the cities Copenhagen and Malmö was finally built in the 1990s and opened in 2000.50

Today, the Nordic Council of Ministers’ web site lists twelve border regions and corresponding regional organizations. Baldersheim and Ståhlberg (1999) describe the

49 In Swedish, Danish and Norwegian the sub-region is called Nordkalotten. It is also sometimes translated into English as the Cap of the North.
50 I will provide more details about the bridge in Chapter 5.
cooperation arrangements around these councils/committees as “organized partnerships” with many partners involved. In recent years, the regions typically receive funding not only from the local municipalities, the Nordic Council of Ministers but also from the EU. The recent developments in cross-border cooperation will be discussed in Chapter 5.

**Institutions of Economic Cooperation**

An important institution is the Nordic Investment Bank (NIB), established 1975 and located in Helsinki, Finland. It provides loans to investment projects of Nordic interest. The bank is an example of a successful economic cooperation. It was founded in the aftermath of the failure to adopt a treaty for a project called NORDEK, debated in the late 1960s. C. Wiklund (2000b) describes NORDEK as a very far-reaching and ambitious plan of economic cooperation. However, he points out that instead of one comprehensive plan, many less ambitious projects, mostly within individual economic sectors, were gradually realized later. Nordic Investment Bank (NIB) is one of the institutions originally proposed within NORDEK (C. Wiklund 2000c).

Originally, the projects funded by NIB were within the Nordic region, but since 1982 the project investments were also outside the region. In 1992 the NIB participated in the Baltic Investment Programme, which “was set up with aim of helping to build up the private sector in the Baltic countries” (The Nordic Investment Bank).

Since 2005, the NIB is owned not only by the Nordic states, but also by Estonia, Latvia and Lithuania, even though the three Baltic states own together only 4.2%. The bank is profitable and has maintained the highest ratings by Standard and Poor since 1982.
Located at the same address in Helsinki, Finland, are three other Nordic institutions, Nopef, established in 1982; the Nordic Development Fund (NDF), established in 1989; and the Nordic Environment Finance Corporation (NEFCO), established in 1990. All of these institutions are concerned with planning and funding projects in other countries.

The Norden Associations

The Norden Associations predate the Nordic Council by more than three decades. They started as private organizations in the wake of World War I and were instrumental in the intensification of Nordic cooperation and were among the important actors contributing to the establishment of the post-World War II institutions (J. Andersson 1994). The plural form Associations reflects the fact that each country and autonomous territory has its own Norden Association, even though they coordinate their activities. Since 1965, there has been an umbrella institution, The Union of Norden Associations (F. Wendt 1981, 90). There are also youth sections of the Norden Associations.

The official web site of the Norden Association in Denmark provides this description:

The NORDEN Association is a non-profit, non-governmental organization working to promote more effective cooperation among all Nordic countries. We work to enhance Nordic cooperation on all levels - between the Nordic people as well as the Nordic states and governments. We work across all political party lines. (The Norden Association 2012)

51 In Swedish: Föreningarnas Nordens Förbund, FNF. Sometimes it is also translated into English as the Federation of Nordic Associations.
Sometimes the Norden Associations are described as “semipublic” because they have been receiving funding for some activities as well as administrative costs from the Nordic government (Andrén 1964). Currently, the Norden Associations still receive some funding from the Nordic Council of Ministers (Nordic Council of Ministers 2011).

The Norden Associations represent the grassroots or civil society level of the system of cooperation, where the Nordic Council is an inter-parliamentary body and the Nordic Council of Ministers an inter-governmental one. Peter Jon Larsen, the Secretary General of the Association Norden in Denmark, described the relationship to the Nordic Council and the Nordic Council of Ministers as a close partnership (personal communication 2010). There are links to the Norden Associations on the official web site of the Nordic Council of Ministers and vice versa and Associations Norden are listed among the cooperation organs in the 1997 directory (Nordic Council of Ministers 1997). The Norden Associations have local branches. For example, the Danish Norden Association has 142 local branches. Members can be individuals, families but also organizations, such as schools and libraries (The Norden Association 2012). The Swedish, Norwegian and Danish Associations each publish a quarterly magazine. For example, the first issue of 2012 of the Danish magazine *Norden nu* [Norden Now] reflects the broad scope of the activities. It is a mix of reports about the activities of the Nordic Council, the Nordic Council of Ministers and articles by scholars, debaters and politicians about the role of Nordic cooperation in the era of globalization and within the EU. It also contains articles on culture and languages and offers trips to get to know other Nordic countries’ natural beauties and historical monuments as well as other Nordic languages.

The Norden Associations also participate in other programs and services. Since 1985
there has been *Nordjobb*, a program helping young people between 18 and 28 years of age find summer jobs, accommodation and leisure activities in other Nordic Countries. This service is funded jointly by national governments, the Nordic Council of Ministers and the Norden Associations. The main objective is again fostering contacts among Nordic countries and increasing knowledge of their cultures and languages (Nordjobb).

The Norden Associations web sites also provide links to other Nordic institutions and services. One such service is Hello Norden. It is an information service of the Nordic Council of Ministers for businesses and for individuals who want to move to or work or study in another Nordic country. There are branches in the five countries and in Åland and Faroe Islands. The information offices also collect information about obstacles in movement that they obtain from individuals and propose changes. They cooperate with the Freedom of Movement Forum established by the Nordic Council of Ministers to help remove obstacles in the movement of citizens and businesses across the borders. Another service is Nordisk eTax, which is a joint project of the Nordic Council of Ministers and the internal revenue authorities in the Nordic countries. It provides advice to citizens or residents who have income or own assets in another Nordic country.

**Informal Institutions and Other Forms of Cooperation**

The picture of the Nordic cooperation would be incomplete if we did not briefly discuss some of its specific forms and informal institutions that have developed. Some of these informal contacts are mentioned in the Helsinki Treaty; others, such as the security cooperation during the Cold War were happening behind the scenes. The levels of
institutionalization vary, but all of these cooperation methods and informal institutions are parts of the mosaic that represents the whole picture.

**Cooperation in International Organizations**

Cooperation in international organizations, especially the United Nations and its various agencies was an important area of Nordic cooperation. Legally, it is based on the Helsinki Treaty; Article 38 in the 1962 Treaty states that “Wherever possible and appropriate the Contracting Parties should consult one another concerning matters of common interest that are dealt with by international organizations and at international conferences.”

As I have shown in Chapter 3, the Nordics have a long history of participation in international organizations. They were enthusiastic participants in the Inter-parliamentary Union, the League of Nations and the ILO and their cooperation in these organizations flourished in the inter-war period. After World War II, similar efforts continued in the United Nations and other IOs. Some of the informal methods of cooperation from the pre-World War II era were also used in the post-World War II era.

As small states, the Nordics have viewed the IOs as important tools of their foreign policies. For example, in 1965 Danish Foreign Minister Per Haekkerup described the benefits of cooperation as follows:

> In my opinion small countries, whether in or outside Scandinavia, have certain possibilities in international politics. There is an obvious limit to the strength of our voice in the big international concert, but if we pursue our policies with a
suitable mixture of caution and boldness our potential influence on the international scene goes far beyond what would be commensurate with our population figures. We in the Nordic countries can, by co-operation, wield not only the sum but almost what I might call the product of our combined influence.

(Götz and Haggrén 2009b, 7)

One way of cooperation in IOs was supporting Nordic candidates. Thomas writes about “concerted action [by the Nordics] in nominating a Nordic national to senior positions” (1996, 29). Indeed, many Nordic representatives have held highly visible positions in international organizations. Trygve Lie, a Norwegian, was the first Secretary General of the UN. His successor was Dag Hammarskjöld of Sweden. Gro Harlem Brundtland, a Norwegian politician, was appointed to chair the World Commission on Environment and Development (also known as the Brundtland Commission) in 1983. Poul Hartling, a Danish politician, served as the United Nations High Commissioner for Refugees (UNHCR) from 1978 until 1985, and Thorvald Stoltenberg from Norway held the position in 1990, even though he served for less than a year before accepting another position in the Norwegian government. Two Swedes have held the position of the Secretary General of the International Atomic Energy Agency, Sigvard Arne Eklund (served 1961-1981) and Hans Blix (served 1981-1997). Nordic representatives have held important positions even in the post-Cold War period. For example, Blix was also the head of the United Nations Monitoring, Verification and Inspection Commission (2000-2003). Most recently, Swedish politician and diplomat Jan Eliasson has accepted the offer to become the UN Deputy Secretary General on 1 July 2012 (Rönnbäck 2012). The Nordics also support each other’s candidates in the Council of Europe (Torbjörn 2009).
Voting together, presenting joint proposals or at least consulting each other have also been commonplace practices. Cooperation in international organizations created an image of the Nordics as a unified group (Lidström and Wiklund 1967; Nielsson 1990; Mouritzen 1995; Thomas 1996; Tunander 1999; L. Wiklund 2000; Laatikainen 2003; Götz and Haggrén 2009b; Midtgaard 2009). They did not always vote as a bloc; sometimes they “were caught in a dilemma between ideal internationalist preferences and more realpolitik considerations” (Midtgaard 2009, 47; cf. Jacobsen 1967; Kalela 1967), but they were perceived as a group and their visibility exceeded that of countries of a comparable size. Lidström and Wiklund observe that “[t]he Nordic Countries prefer to abstain from voting altogether rather than vote against each other” (1967, 186). They have also cooperated in the UN agencies and other international organizations. At the Kennedy Round in 1967, Nordic countries were represented by a single joint delegation (General Agreement on Tariffs and Trade 1967). Coordination and joint actions have also been observed in UNESCO, ILO, and the Council of Europe (Haggrén and Götz 2009b; Haggrén 2009; Kettunen 2009; Torbiörn 2009).

The specifics of cooperation in international organizations have never been spelt out. Yet, for example, the UN cooperation acquired a fairly regular pattern. The first element was the cooperation that took place at the meetings at the level of foreign ministers. The foreign ministers usually had two meetings a year, one of which usually took place before the annual session of the General Assembly and was dedicated to UN issues. The ministers were often joined by the UN ambassadors. These meetings were primarily consultations; informing each other did not always mean reaching a joint position. In addition to the meetings, informal contacts by telephone or fax were commonplace. The
second element in the UN cooperation was regular meetings of the Nordic delegations in New York. There were weekly meetings of the heads of the delegations as well as meetings of the ordinary members of the delegations as needed (Midtgaard 2009, 50).

These gatherings prior to the sessions and during the sessions became a norm. They were also iterative, so they can be considered institutions/regimes, even though informal ones. The duty to consult others was perceived as binding. As I have mentioned earlier, for example, the Danish failure to consult others before a vote in the General Assembly in 1965 was criticized by others at the 1966 session of the Nordic Council (Andrén 1967; F. Wendt 1981).

The influence of the Nordics in the area of peacekeeping has also been recognized (Ojanen 2005b; Bailes 2006; Jakobsen 2006 and 2009). Jakobsen writes that “some 125,000 troops (25 per cent) of the personnel serving on UN peace-keeping operations during the cold war came from the Nordic countries and the Nordics also supported the UN Secretariat with funds, advisers and negotiators” (2009, 88).

The Nordics have also been recognized as generous providers of foreign aid in terms of the proportion of GDP.52 Sweden was the first country whose foreign aid represented 1% of GNP and Norway’s contribution later became even higher (Mouritzen 1995, 11). Several of the foreign aid projects were coordinated (Wendt 1981; Engh and Pharo 2009). In addition, the Nordics became also known for providing development assistance without obvious benefit to themselves (Ingebritsen 2002; Laatikainen 2003; Browning 2007). Laatikainen characterizes their aid as follows:

The Nordic approach to development assistance—largely multilateral on highly

52 Older sources use usually GDP or GNP; current sources usually use GNI.
concessional terms and largely unrelated to the procurement of the Nordic goods and services—differentiated them from some Western donors whose foreign aid programmes were poorly disguised export promotion schemes (Laatikainen 2003, 417).

The perception of the Nordics as an autonomous group helped them create an identity, an image of a group separate from the superpowers. Laatikainen describes their position:

The niche that the Nordics occupied was as neutral bridge-builders and mediators … In geo-political terms the Nordics were bridge-builders between East and West during the Cold War, and in geo-economic terms they mediated between the North and South during the divisive international economic debates of the 1970s. Fundamentally, while the Nordic countries exemplified Western values – a commitment to democracy, a free market economy, rule of law – their effectiveness and reputation within the UN rested on the perception of the Nordics as being different from the rest of the West (or North). (Laatikainen 2003, 417)

Another term frequently used besides bridge-builders is honest brokers (Laursen and Olesen 2000; Ingebritsen 2002; Laatikainen 2003; Jakobsen 2006). Thanks to this reputation, they have often been able to influence international norms, for example environmental norms. Ingebritsen (2002) applied yet another frequently used label – norm entrepreneurs.
Security Cooperation

During the Cold War, there was no official cooperation in the security sphere. Denmark, Norway and Iceland were members of NATO. Sweden was neutral and Finland was officially neutral, but its Treaty of Friendship, Cooperation and Mutual Assistance with the Soviet Union limited Finland’s options. However, many have argued that there was a system of security cooperation in place throughout the Cold War (e.g. Brundtland 1966 and 1986; Wiberg and Wæver 1992; Solheim 1994; Mouritzen 1995; Tunander 1999; Rieker 2006). The informal and largely secret security regime is usually referred to as the Nordic Balance, a term usually credited to Arne Olav Brundtland (1966 and 1986). The same phenomenon has sometimes been referred to in political rhetoric as the Nordic stability or the Nordic pattern (Stålvant 1988, 445; Tunander 1999). It meant that each country had its own approach to security but they thought about the consequences of their policies upon the other members of the group.

The idea was that the individual positions were complementary and they were reinforcing each other. The goal was to maintain the balance between the superpowers. Iceland not only was a member of NATO but also had an important US military base in Keflavík. Norway and Denmark were members of NATO but did not allow NATO

53 Brundtland himself gives credit for the concept to Tomas Torsvik, the foreign editor of the newspaper Bergens tidende, who used it in 1962 (Brundtland 1966, 56). According to Solheim (1994) the term was used for the first time by Halvard Lange, the Norwegian foreign minister, in 1961, during the “Note Crisis” between Finland and the Soviet Union. For a critique of the concept, see Noreen (1983).
54 Iceland does not have any military force. In 1951, it signed a bilateral treaty with the US. The treaty is still valid, but the United States withdrew from Keflavík in 2006. In case of war, the defense remains the responsibility of NATO (CIA World Factbook. Iceland).
military bases or nuclear weapons on their territory in times of peace. For Sweden, Finland was an important buffer zone. Swedish neutrality was in turn important for the high degree of freedom that Finland enjoyed in its relationship vis-à-vis the Soviet Union. If Sweden abandoned neutrality, the situation would get precarious for Finland. Sweden in turn could have the Soviet Union ante portas. Likewise, the Danish and Norwegian policies decreased the tensions in the region.

There is one often mentioned empirical example of this principle of mutual support at work, the so called Note Crisis between Finland and the Soviet Union. In 1948 Finland signed the Agreement of Friendship, Cooperation and Mutual Assistance (also known as the FCMA Treaty. One of the articles in the Treaty stipulated that there would be “consultations” between the two signatories if a threat of attack against Finland by Germany or its allies arose. The Soviets were displeased by Denmark’s cooperation with Germany in NATO. On October 30, 1961, the Soviets sent Finland a note requesting “consultations” as stipulated in the Treaty. This was perceived as a threat of potential Soviet invasion (Helsingin Sanomat, November 1, 2011). Even though there were no explicit agreements, the responses of individual governments were synchronized and supportive of each other. Norway signaled that it might re-think the issue of military bases on its territory and Sweden would get closer to NATO. Finland’s President, Urho Kekkonen, was able to argue successfully that Soviet military presence in Finland would only escalate the tensions (Wiberg 2000). Mouritzen\textsuperscript{56} writes that the Soviets later admitted that the argument indeed persuaded Nikita Khrushchev to reconsider the idea of

\textsuperscript{55} The U.S. bases on Greenland were an exception from this policy (Wendt 1981, 343).
\textsuperscript{56} Mouritzen cites as his source the memoir by the retired Swedish diplomat Sverker Åström (1992) Ögonblick. Från ett halvsekel i UD-tjänst [Moments: From Half a Century in the Foreign Service]. Stockholm: Bonnier.
“consultations” (1995, 13).

It is true that one example is hardly enough to justify considering the Nordic Balance a regime. However, there are many authors who claim that there was cooperation in the security sphere. Some aspects of this cooperation became known only after the end of the Cold War.

In his seminal account of Nordic cooperation, Wendt (1981) mentions exchange of information on security, but does so rather inconspicuously. It is actually somewhat surprising that he mentions these discussions at all. Writing about the regular meetings of Foreign Ministers, he states:

The different Nordic attitudes to security policy give their diplomatic services access to information which is considerably broader than the diplomats of any single one of the countries could obtain. Further more, the mutual trust which exists between the participants of these meetings allows them to exchange views and information in full openness and confidence. (F. Wendt 1981, 367)

After the end of the Cold War, it became clear that a secret cooperation in the area of defense existed. For example, in an essay posted on the official web site of the Norwegian Ministry of Foreign Affairs, Tunander (1999) writes, “We know now that the Scandinavian Defence Union negotiations [in 1949] led to a secret decision about informal defence cooperation.” He also maintains that “[c]ontrary to the official version, the Cold War’s Nordic region was relatively unified in defence and security policies.” He further describes the security cooperation as follows:

As early as the early 1950s, Washington sanctioned the idea of letting Swedish connections to NATO go through Norway (and to a certain degree through
Denmark) to prevent these sensitive contacts from gaining attention. Information about the Soviet Union and NATO’s decisions and evaluations were to be fed through Norway and Denmark to Sweden and thus indirectly to Finland. Norway and Denmark were evidently highest placed in the Nordic information hierarchy. Swedish politicians, government officials and military officers received vital information from their Norwegian colleagues. (Tunander 1999, n. p.)

Tunander also mentions secret cooperation between Sweden and USA. He writes:

In complete secrecy, Swedish air bases were prepared for American aircraft and high-ranking officers were prepared to guarantee a Swedish coordination with NATO’s forces. Informal meetings between Norwegian, Danish and Swedish officers played a key role. Conversations with Finnish officers were also important. (Tunander 1999, n. p.)

The existence of the secret defense cooperation has been confirmed by several other sources. Sundelius writes about “informal trans-governmental cooperation…among the armed services on the lines of plans set out in great detail in the then secret appendices to the never concluded defence treaty” (2006, 116). Jan-Erik Enestam,57 former defense minister of Finland, has confirmed that regular cooperation in the security sphere existed during the Cold War. He also believes that Nordic cooperation was helpful to Finland (personal communication). Sverre Jervell, a senior advisor to the Norwegian Foreign Ministry, mentioned the informal Nordic security cooperation during the Cold War at a lecture at the International Center for Defence Studies in Tallinn, Estonia (Jervell 2009b).

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57 Jan Erik Enestam is currently the Secretary-General of the Nordic Council. He has held several cabinet posts in Finland, among them Minister of Defense (twice), Minister of the Interior and Minister of the Environment (Jan Erik Enestam CV).
Jervell specifically mentioned frequent intelligence contacts between Sweden and Norway.

Solheim (1994) also studied the issue from the point of the United States and found in archives that the US seemed to recognize the existence of the Nordic balance. It is also obvious that at least to a degree, the Nordic countries were able to assert themselves. The strategic importance of the bases in Iceland increased the importance of Norway and Denmark as countries that could influence Iceland.

**Informal Cooperation between Nordic Officials**

There is also a provision in the Helsinki Treaty that allows direct contacts between officials in Nordic countries without going through the Ministries of Foreign Affairs. As Sundelius (1978) points out, this custom has a long history. During the Swedish-Norwegian Union, the two countries had a common king and foreign policy but otherwise were separate. Civil servants were encouraged to contact their counterparts in the other part of the kingdom directly.

For example, Tunander (1999) describes the informal contacts as follows:

If a Danish politician or government official does not understand a Norwegian decision, he or she can bypass the Ministry of Foreign Affairs and directly call a Norwegian colleague who can explain. The same applies if a Norwegian cannot interpret the meaning of a Danish, Finnish, Swedish or Icelandic decision. The Nordic interdependence, the language similarities and the extensive acquaintances among Nordic public servants, politicians and military officers have contributed
to non-bureaucratic and personal procedures.

The informal contacts are also described by authors writing about cooperation in international organizations, for example Laatikainen (2003), Haggrén (2009), Kettunen (2009) and others. For example, Haggrén describes the contacts at the UNESCO. She writes:

Nordic delegations met regularly during the general conferences to discuss current issues and possible coordination of their acts; their meetings were of informal nature and no minutes were kept. The national delegation also adopted a custom of gathering for joint dinners, hosted in turn by the Nordic delegations. Such dinners were arranged as early as 1952, if not before. (Haggrén 2009, 92)

At the ministerial level, Jan-Erik Enestam described his frequent non-bureaucratic contacts as a minister of defence with his Swedish counterpart and breakfasts of Nordic ministers prior to EU meetings. The purpose of the breakfast meetings is to inform each other of their respective positions (personal communication). In a recent interview, Erkki Tuomioja, the Finnish Minister for Foreign Affairs, also stressed the usefulness of informal cooperation (Wilén 2012).

Many future prime ministers, foreign ministers and other politicians got to know each other as Nordic Council members through informal networking at Nordic Council sessions, in the Presidium and at Nordic Council’s party groups (Hetemäki-Olander 2002; Engaard 2002b; Guðnason 2002). In her reminiscences about her time as the President of the Nordic Council and member of the Presidium, Hetemäki-Olander writes about drawing her compatriot Sauli Niinistö into Nordic cooperation (Hetemäki-Olander 2002, 186). In March 2012, Niinistö became Finland’s president. It is hard to tell whether or not
it is a coincidence, but in his interview shortly after his election with the Swedish news
agency TT, he spoke about the importance of Nordic cooperation (Eriksson 2012). Eiður
Guðnason (2002), a social democratic politician from Iceland, claims that personal
contacts between Icelandic and other Nordic social democratic politician were an
important factor behind Iceland’s decision to join NATO together with Denmark and
Norway.

Frequent direct contacts also existed in the process of implementation of
harmonization of laws (Blomstrand 2000). The Nordic countries have often been looking
for models in other Nordic countries. In many cases Sweden was the model. In a study of
policy diffusion from Sweden to Finland, Karvonen (1981) has found that Finnish social
legislation was in many cases closely following similar laws adopted earlier in Sweden,
and the Finnish civil servants involved reported frequent meetings and phone calls with
their Swedish colleagues in the process of formulating the laws.

Dissemination of Knowledge about the Nordics Outside of the Region

Cooperation in dissemination of knowledge about the region is also based on the
Helsinki Treaty. In fact, it has been in the Helsinki Treaty since the beginning (Article
33). Wendt (1981) writes about a vision that Danish politician Hans Hedtoft presented at
the Nordic Council in 1954 that the achievements of Nordic countries in the areas of
culture, economics, welfare and politics can be of interest to other countries, especially
the newly independent ones. Spreading knowledge about Nordic culture and institutions
was a way to increase the prestige of these countries abroad and indirectly their influence.
What Hedtoft had in mind sounds somewhat like soft power, a concept coined by Joseph Nye (1990, 2001, and 2004). Nye defines soft power as “the ability to get what you want through attraction rather than coercion or payment. It arises from the attractiveness of a country’s culture, political ideals and policies” (Nye 2004, x). Browning uses the term “brand” and discusses “how a Nordic brand was marketed during the Cold War” (2007, 27). By “brand” he means the image the Nordic countries chose to project internationally.

Wendt (1981) reports that materials about the Nordic Council have been provided in English since the 1970s. Also, the Nordic Council commissioned books on Nordic cooperation and Nordic history, culture and institutions. Wendt’s seminal books were also commissioned by the Nordic Council. The first, The Nordic Council and cooperation in Scandinavia (1959), covers the early years of the Nordic Council. The second, Cooperation in the Nordic Countries: Achievements and Obstacles (1981), is a somewhat adapted English version of a Danish original published by the Nordic Council in 1979. Other similar projects are a volume edited by Allardt et al. (1981), titled Nordic Democracy: Ideas, Issues, and Institutions in Politics, Economy, Education, Social and Cultural Affairs of Denmark, Finland, Iceland, Norway, and Sweden and Elements of Nordic Public Law by Nils Herlitz (1969).

Another prime example of cooperation in dissemination of knowledge about the region is Scandinavia Past and Present (Bukdahl et al. 1959), a monumental edited work in three volumes (about 2 000 pages total) that covers the history, institutions, and accomplishments in arts and sciences and cooperation in the region. The authors, too, are prominent representatives of scholars from all of the Nordic countries. The production of this work was funded by Nordic banks and corporations, including SAS, and several
major cities. It is intended for American audiences as “a tangible expression of the
gratitude which the Scandinavian peoples feel toward the United States because of what
that country has meant during and after the last War” (Henriksen 1959, 7). It is also a
means to spread information. In the state of Missouri only, fourteen academic libraries in
the MOBIUS consortium own the book and so do several public libraries. Even though
considerable space is devoted to the differences among the countries, they are presented
as one entity, which reinforces their image as a community.

Today the official web site of Nordic cooperation www.norden.org provides a lot of,
even though not all, information in English as well. Numerous publications by the Nordic
Council of Ministers also appear in English, often alongside versions in the Scandinavian
languages and Finnish and Icelandic.

The proliferation of “Nordic” edited volumes has already been mentioned in the
literature review of this dissertation. The practice to cooperate on edited volumes, many
of which appear in English, has become commonplace. Many of these publications result
from joint research projects, conferences, and seminars. Some receive funding from
Nordic institutions; others pool multiple resources; some publications result from
cooperation between national institutions or individual researchers. Even comparative
studies focused on differences treat the region as an entity. The frequent use of the label
Nordic or Scandinavian in the titles of books and journals perpetuates the idea of a group.

Promoting the cultures and disseminating knowledge has had a variety of other forms.
One of them was funding lecturers at foreign universities and exchanges of scholars
(Wendt 1981). A very successful project was Scandinavia Today, a travelling festival of
Nordic cultures that took place in the United States in 1982. It consisted of art
exhibitions, movie showings, concerts and other events that visited several major US cities within about a year period. It was sponsored by the Nordic Council, Nordic Council of Ministers and many private companies from all Nordic countries. Scandinavia Today was also organized in Japan in 1987 (Hetemäki-Olander 2002). Hetemäki-Olander, who was the President of the Nordic Council in 1982, emphasizes that cooperation on Scandinavia Today was very important because no country could have accomplished a similar campaign alone and gain the same level of publicity and attention.

*The Associational Web*  

The cooperation is not limited to the official Nordic institutions. All kinds of civil society organizations exist in the region. Especially professional organizations have a long history of successful cooperation, starting in the second half of the nineteenth century, when the trend to form professional and other organizations started and continued growing through the 20th century to the present time. Attempts to catalog these associations have been rare. Stålvant (1988) writes that in 1972 there were 436 Nordic non-governmental organizations. He also notes that “[s]ocietal bonds are comprehensive as well as enduring.” Of the 436 NGOs, 40% had already existed before World War II (Stålvant 1988, 442). In 2002, Outi Ojala, then the President of the Nordic Council, wrote that there were “hundreds of civil society associations and organizations with Nordic cooperation on their agendas” (Ojala 2002, 7; my translation).

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58 The subtitle is borrowed from Etzioni (1965).

Compiling a complete list of current Nordic associations would be a separate research project. However, we can get an idea of this phenomenon for example by looking at professional journals. There are 43 journals with the word “Nordic” in the title and 64 using “Scandinavian” just in the MOBIUS\textsuperscript{60} catalog. Almost all of these journals have an online version, which shows that they are not any long defunct publications. The range of fields they cover is broad – social services, policy, arts, technology, law, biology, and medicine just to name a few. Some of them are published by the Nordic institutions discussed earlier but most of them are not. They would fall into the broad category of civil society contacts. It is not unreasonable to assume that in many cases these journals are published by an association or that there are periodic seminars, conferences or other contacts of a corresponding professional group. These publications show the popularity of cooperation at a Nordic level. At the same time, this is another example how pooling resources and using the Nordic or Scandinavian label also increase the visibility and prestige of the Nordics in an international academic context.

Not much research has been done of the civil society contacts (Stenius and Haggrén 2005). The volunteer organizations and professional associations and contacts are often taken for granted. Nevertheless, many researchers agree that these ties are the bedrock or at least an essential component of Nordic cooperation (e. g. Stenius and Haggrén 2005; Tiilikainen 2005).

\textsuperscript{60} MOBIUS is an acronym for the Missouri Bibliographic Information User System, a consortium of academic libraries in the state of Missouri.
CHAPTER 5: PERSISTENCE OF NORDIC COOPERATION AFTER THE COLD WAR

Chapter 4 provided an overview of the institutions and forms of cooperation that developed since the establishment of the Nordic Council in 1952. In this chapter I will show that despite the challenges the Nordic cooperation has been exposed to – progressing European unification, globalization, and the fundamental change of the international system after the Cold War – the cooperation is alive. There are indications that there has been political will to preserve it and that the popular support remains high. In fact, new areas of cooperation have been added and some old efforts have been revitalized. Discussing all the recent developments would far exceed the scope of this study, but I intend to show through a variety of examples that the cooperation not only persists but has increased. In Chapter 6, I will analyze my findings in the light of path dependency and social learning.

The Challenges

The pressures were considerable. Most of the Nordic regimes/institutions were created after World War II in the context of the Cold War. The fall of the Berlin Wall and the dissolution of the Soviet Union fundamentally changed the distribution of power. Keeping the tensions caused by the competition between the superpowers low was no longer a topical concern. The sentiments in the region in the early 1990s were described, for example, by Wæver in his article titled poignantly “Nordic Nostalgia: Northern Europe after the Cold War.” He writes, “[T]he actual reaction in Northern Europe to the
events of 1989 was far more one of confusion, insecurity and more than occasional
eexpression of nostalgia for the Cold War” (1992a, 78). The new situation in which the
Nordic countries found themselves made the persistence of the cooperation doubtful.
Wæver further describes the change as follows:

This is not the framework in which the Nordic countries had slowly and
lovingly elaborated their ingenious little security arrangement of ‘the Nordic
balance’, a political balance of unexploited options whereby the Nordic countries
could enjoy a lower level of tension and yet keep both superpowers – both their
own and the other side’s—at a distance. Until 1989, Norden had been defined by
having a lower level of tension than Europe. It was dependent for its identity on
Europe remaining divided, highly armed and marked by a certain level of tension.
(Wæver 1992a, 78-9).

In a book chapter from the same year, Wæver describes the pessimism about the viability
of the idea of Norden:

It is widely felt in the Nordic region that ‘Norden’ in the old sense is not a
powerful instrument for handling the challenges of the closing twentieth century.
Norden – as a concept, an answer—appears increasingly irrelevant. (Wæver
1992b, 136)

Besides the changes in the bipolar system, the European integration was moving
forward; the EEC/EU was developing towards more and more supranational institutions.
The Single European Act was signed in 1986 and entered into force on July 1, 1987, and
the EU was headed toward the Treaty on European Union (the Maastricht Treaty), signed
in 1992 (Euroepan Union 2012a). As a result, in the second half of the 1980s, it was
already clear that the development would pose challenges to the Nordic institutions (Stålvant 1988). During the Cold War, only Denmark was a member of the EEC, which did not harm Nordic cooperation. In fact, Denmark assumed the role of “a bridge” to Europe (Sundelius 1978; Wiklund and Sundelius 1979; F. Wendt 1981; Mouritzen 1995; Laursen and Olesen 2000; Olesen 2000, Söder 2000). The connection with the rest of the Nordics, in turn, benefitted Denmark’s position in the Community (Sundelius 1978; Mouritzen 1995). However, in the 1990s, the prospects that Sweden and Finland would join the EC and Norway and Iceland would remain outside caused serious concerns about the division of the Nordic community (Wæver 1992a).

Around 1990, Sweden and Finland were affected by an economic downturn. Their decisions to apply for the EU membership were partly a response to their economic difficulties. Sweden submitted its application for membership in 1991; Finland and Norway followed in 1992. The Norwegian public rejected Norway’s accession in a referendum in 1994, but Sweden and Finland became members on January 1, 1995 (Laursen and Olesen 2000). The concern was that their priority would shift towards the EU. Laursen and Olesen write: “There is no doubt that the Nordic vision suffered a severe blow when it became a fact that more than four fifths of the total Nordic population came to live within the borders of the EU” (2000, 86-7).

There were concrete signs of a diminished interest in Nordic cooperation by Sweden, the largest member of the group and the country that often was an initiator and a leader in the Nordic cooperation (Mouritzen 1995; Laursen and Olesen, 2000). Laursen and Olesen (2000) write that after Sweden decided to join the EU, it announced that it would lower its contribution to the funding of the Nordic Council and the Nordic Council of
Ministers. As the authors point out, even though Sweden was suffering from an economic downturn, it did accept financial obligations within the EU. While the actual decrease in funding for Nordic institutions and programs was not really substantial, this announcement signaled that Sweden was losing interest in the Nordic project (cf. Mouritzen 1995; Tønnesson 2002).

Finland, too, seemed to be losing interest in the Nordic cause. The demise of the Soviet Union made it possible for Finland to worry less about its Eastern neighbor. Finland has been described as the Nordic country most enthusiastic about EU membership (e.g. Olesen 2000; Ojanen 2005b). As for example Rieker points out, “EU membership was seen as a way for Finland to confirm its long repressed Western identity” (2004, 375). In the 1990s, Finland was going through a “European honeymoon” (Ojanen 2005a). It was felt that all efforts should concentrate on EU. The view that Nordic cooperation was “a child of its time” and had no future often appeared in public debates (Häggman 2005, 7). Finland was also distancing itself from the other two EU members, Denmark and Sweden, who were taking a more guarded approach (Ojanen 2005b). While the other two Nordics preferred to view EU as an inter-governmental body, the Finns were ready to embrace integration (Tiilikainen 2005). Finland is the only Nordic country that has adopted the euro.

A serious challenge to Nordic cooperation was the Schengen Agreement. Denmark applied for an observer status in 1994, which caused a lot of uncertainty in the other countries. Sweden and Finland applied for membership in the summer of 1995 (Sundelius and Wiklund 2000d). Schengen cooperation means free movement within the area, but member states are required to protect the external borders with non-members by
strict passport checks. The borders of the Schengen Area could thus run through the Nordic region and jeopardize the Nordic Passport Convention, which had been in place since the 1950s and which had been one of the major accomplishments of Nordic cooperation. The concern was that the Nordic countries would have to choose between the Nordic Passport Convention and the Schengen Area (H. Andersson 2000).

The uncertainty about the future of Nordic cooperation is reflected in the scholarly literature and various Nordic reports and studies. Wæver (1992a) was not the only author writing about the skepticism. Throughout the next ten to fifteen years, many titles of books and articles contained question marks, expressed doubts about the prospects of the idea of Norden or even predicted Norden’s more or less gradual disintegration. Here are a few examples:

*What Happened to Norden? From self-awareness to confusion* (Neumann 1992)

“An Alternative Scenario: Dissolution of Norden” (Wiberg 1992)


*Nordic Council. Useful to Norden?* (Gry Larsen 1998)

“Norden is Dead – Long Live the Eastwards Faced Euro-North” (Jukarainen 1999)


In the commemorative volume to the fiftieth anniversary of the founding of the Nordic Council, edited by Engaard (2002), a part of the historical overview by Øyvind Tønnesson is subtitled “A tribute or an obituary?” Tønnesson (2002) also poses a

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61 The idea of *Nordic usefulness/benefit/advantage* (*nordisk nytte* in Danish and Norwegian and *nordisk nytt* in Swedish), was introduced in 1995 to evaluate and justify Nordic institutions (Sundelius and Wiklund 2000d). I will discuss it later in this chapter.
rhetorical question whether the fiftieth anniversary is just half way to the hundredth or whether the Council is near the end of its journey. Even though most contributors praise the accomplishments of the Council and express optimism about the future, the uncertainty is palpable.

Negative statements by some political leaders that appeared in the 1990s also signaled trouble for the Nordic vision. One example is from the discussion at the 1991 session of the Nordic Council in Reykjavik, where Norwegian parliamentarian Pål Atle Skjervengen suggested:

 Why don’t we who agree on that hold each other’s hands and say: OK. The Nordic Council has fulfilled its role, we thank [each other] for the good cooperation, we thank [each other] for what has been accomplished, but from now on the Nordic Council has no role? (quoted by Gry Larsen 2000, 205)

In 1992, Carl Bildt, then Prime Minister of Sweden, stated in the *International Herald Tribune* that “The time for the Nordic model has passed.” His Finnish colleague, Esko Aho, went even further and declared that “the Nordic model is dead” (Browning and Joenniemi 2010, 4). To be sure, over the years, the Nordic Council had often been criticized, but as for example Tønnesson (2002) points out, the criticisms more often came from Nordists, in other words, from the supporters of Nordic cooperation who had expected faster and more significant results or higher degree of integration. The cooperation *per se* was not questioned. For example, Danish scholar Nikolaj Petersen (1977) writes that despite different perceptions of the cooperation among the political elites, open opposition to it does not exist (N. Petersen 1977, 266). Others made similar observations (e. g. Solem 1977, 138). The cooperation was in a crisis, and its future was
uncertain.

The Signs of Persistence

Despite many pessimistic prognoses, the main institutions of the Nordic cooperation continue to exist. In some areas Nordic cooperation may have actually been strengthened by the EU memberships and the debates surrounding the decisions to join the EU (Baldersheim and Ståhlberg 1999). It has also been pointed out that after the initial focus on the EU; Nordic cooperation is again seen as a useful tool of foreign policy. Ojanen (2005a) writes that Finland seems to be “rediscovering its Nordic neighbours after an EU honeymoon.” In response to the concerns about the viability and usefulness of Nordic cooperation and its institutions, there have been several reforms, some of which will be discussed in this chapter. The purpose of these changes has been clearly to make the cooperation relevant in the new circumstances and to increase its efficiency, not to eliminate it or let it fade. Some areas of cooperation have been revitalized and new ones have been emerging. These recent developments that show that the cooperation is alive will be discussed in the second half of this chapter.

International Politics on the Nordic Agenda

During the Cold War, the Nordic Council deliberately stayed away from international issues. In the 1980s, with perestroika in the former Soviet Union and the intensifying unification in Europe, the Nordic Council started re-evaluating its agenda. One of the
early changes was putting international politics on the Nordic Council’s agenda. In 1987 the Council appointed a committee on international cooperation, the so called Söder Committee, chaired by Karin Söder, a former Swedish Minister for Foreign Affairs. The committee presented its first report in 1988 and its second one, titled *European Cooperation Issues in the Nordic Council* the following year. In 1989, there was also an extraordinary session of the Nordic Council in Mariehamn, Åland; where the main topic was “Norden in Europe.” The Nordic Council of Ministers adopted a working program with the same title – *Norden in Europe 1989-92* (Sundelius and Wiklund 2000d; Söder 2002).

The Nordic Council also initiated contacts with the Baltic republics, Lithuania, Estonia and Latvia. As Hetemäki-Olander (2002) tells us, “The Nordic Council, partly with our governments’ blessing, played a role in international politics, which we never had before, and the Nordic institutions could take initiatives in an area where it was too early for individual governments and bilateral agreements” (183). In 1990, while the Baltic republics still were part of the Soviet Union, a delegation of NC members visited the Tallinn, Riga, and Vilnius, as well as Moscow to discuss cooperation in the Baltic Sea region. In 1991 it was decided to set up Nordic information offices in the Baltic republics. The same year, three leading Baltic politicians were given an opportunity to speak at the Nordic Council session held in Copenhagen (Sundelius and Wiklund 2000d; Tønnesson 2002).

The Nordic countries assisted the Baltic countries in a number of ways. They helped them meet the requirements of the EU membership in terms of adjustments to the legal systems and bureaucracy, democratic institutions and markets. The Nordic EU members
also actively supported admission of the Baltics to the EU (Bergman 2006). As Bergman puts it, “In essence, the Nordic EU states acted as spokesmen for the Baltic states and ‘lobbied’ their cause in European settings” (2006, 84). A considerable part of the Nordic aid, both bilateral and multilateral, was in the area of security. The Nordic countries helped the Baltics develop their defense (Archer 1999).

Possible membership of the Baltic republics was also discussed in the Nordic Council (Tønnesson 2002). The idea of creating a new Baltic region with a new Baltic identity was quite prominent in scholarly debates in the 1990s (e.g. Wæver 1992a, 1992b, 1995; Joenniemi 1992; Mouritzen 2001). However, the Baltic countries were more interested in joining Western European organizations, the EU and NATO. The three Baltic countries actually are not that close to each other culturally and linguistically, and they differ from the Nordics even more. The only exception is perhaps Estonia with its affinity especially with Finland (Lagerspetz 2003).

While the idea of the membership of the Baltics in the Nordic Council did not get enough traction, several international organizations were established to cooperate with the Baltics as well as other neighbors of the Nordic countries. One is the Baltic Sea Parliamentary Conference (BSPC), a forum for parliamentarians from the countries around the Baltic Sea, which met for the first time in Helsinki in 1991. Another cooperative body is the Council of the Baltic Sea States (CBSS), which is an intergovernmental forum. The members are the five Nordic countries, Latvia, Estonia, Lithuania, Poland, Germany, Russia and the European Commission. The countries are represented by their Ministers of Foreign Affairs. There are clear similarities to the Nordic institutions, especially in their initial stages. The presidency, held for a year,
rotates among the member states. There is also a Committee of Senior Officials to assist the foreign minister of the country holding the presidency. The countries agreed on establishing a Permanent International Secretariat, now located in Stockholm, Sweden (The Council of the Baltic Sea States 2012).

Other similar organizations were established to facilitate the cooperation in the Arctic. One example is the Barents Euro-Arctic Council, founded in 1993 in Kirkenes, Norway. It is a forum for intergovernmental regional cooperation. Its members are Denmark, Finland, Iceland, Norway, Sweden, Russia, and the European Commission. The governments are represented by their foreign ministers (The Barents Euro-Arctic Council 2012). Yet another organization is the Arctic Council, an intergovernmental forum for the Arctic countries – Canada, Denmark (including the Faroe Islands and Greenland), Iceland, Finland, Norway, Sweden, Russia, and the US. The meetings were first initiated by Finland and the first meeting was held in Rovaniemi, Finland, in 1989. The Arctic Council itself was established by the Ottawa Declaration in 1996. A specific feature of the Arctic Council is the participation of organizations of indigenous peoples of the region, who hold the status of Permanent Participants (The Arctic Council 2012).

The Nordics and Baltics form an unofficial group that is sometimes referred to as NB8 (5 Nordic countries + 3 Baltic countries). Besides the official international fora mentioned above, there are regular contacts on the level of ministers and civil servants. For example, the Prime Ministers meet annually and so do Foreign Ministers, Defence Ministers and Ministers for Equal Opportunity. Ministers for Justice and Ministers for Culture meet biannually and other ministers less regularly (NB8 Wise Men Report 2010). The Baltic countries also participate in several programs under the umbrella of the Nordic
Council of Ministers. One such example is the Nordplus Framework Programme, which is a program dedicated to “lifelong learning.” It funds school visits and a variety of educational schemes (Nordplus 2012).

*The Helsinki Treaty Amendments*

The changes in the Nordic cooperation are also reflected in the amendments to the Helsinki Treaty, which is the legal basis of the cooperation. As Wiklund (2000a) has observed, important developments have often led to amendments to the Treaty. Since the end of the Cold War, The Helsinki Treaty has been amended three times—in 1991, 1993, and 1995. The amendments clearly reflect attempts to adjust to the changing situations and to make the cooperation relevant in a new international context. For example, in 1993 cooperation and consultations among the Nordics vis-à-vis the European Union were included. In 1995 the signatories agreed on structural changes and the three main areas of cooperation were identified as Intra-Nordic, Near Abroad and Europe (c.f. Wiklund 2000a). During the Cold War, the vast majority of the agenda was intra-Nordic. Foreign policy and security were excluded from the official agenda. These amendments confirmed the fact that the cooperation was becoming more outward oriented. The Ministers of Defense started attending the Nordic Council sessions in 1997 (Sundelius and Wiklund 2000d).

Perhaps even more important is the fact that each time the Treaty was amended, the contracting parties reasserted their commitment to cooperation. The preamble to the 1993 amendments

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62 This area focuses mainly on the cooperation with neighboring countries in the Arctic and in the region around the Baltic Sea.
Agreement states explicitly that the intent of the parties to the Treaty is “to renew and expand cooperation between the Nordic countries in the light of the greater participation by the Nordic countries in the process of European cooperation” (The Helsinki Treaty 2010). In 1995 the Preamble reiterates that the Parties wish to “further renew and expand” their cooperation (The Helsinki Treaty 2010). Especially in the 1990s, with so many doubts about the viability and usefulness of the Nordic cooperation, the reaffirmation was sending an important message that Nordic cooperation and the EU memberships were not mutually exclusive.

**Other International Treaties**

As we saw in the previous chapter, even though a great deal of Nordic cooperation is either informal or the agreements are not at the level of international treaties, a fairly large number of formal treaties does exist. The UN Treaties Collection shows that out of the 103 multilateral registered treaties with all five countries participating 41 have been signed since 1990 (UN Treaties Collection 2012). These treaties are not always new; in fact, many treaties registered after 1990 amend earlier versions, making them compatible, for example, with the EU and the Schengen Agreement provisions. A good example is the Nordic Passport Convention of 1957, which was amended in 1973 and again in 2000.63 The Helsinki Treaty itself, also included in this number, has been amended seven times; three amendments were adopted in the 1990s. However, each entry in the UN

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Treaty Collection represents new activity in the Nordic cooperation.

Similarly, the extended cooperation with the Baltics is also reflected by treaties concluded since the independence of the Baltics. The Agreement between Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden concerning the Nordic Investment Bank from 2005 shows this new orientation (UN Treaty Collection 2012).

Most agreements between the Nordic and the Baltic countries, though, are bilateral. For example, there are 35 bilateral treaties between Finland and Estonia, clearly showing that the geographic proximity and cultural affinity of the two countries have resulted in extensive intergovernmental cooperation. There are also 14 treaties between Finland and Latvia and 11 between Finland and Lithuania. Sweden comes second in the overall number of treaties with the Baltics. There are 20 treaties between Sweden and Estonia, 17 between Sweden and Latvia, and 10 between Sweden and Lithuania. Denmark has 9 treaties with Estonia, and 6 with each Latvia and Lithuania. Iceland has 6 treaties with Estonia, and 5 and 4 respectively with Latvia and Lithuania. Norway and Estonia have 9 agreements. Norway and Lithuania have two treaties, and Norway and Latvia one (UN Treaty Collection 2012).

Relocation of the Secretariat of the Nordic Council

Another change was the relocation of the Nordic Council’s Secretariat from Stockholm to Copenhagen to share premises with the Secretariat of the Nordic Council of Ministers. The two organizations also share a number of departments. According to Laursen and Olesen (2000) the goal was to improve co-ordination between the two and to
reduce costs.

**Structural Reforms**

Many members of the Nordic Council felt that structural changes were needed to make the institution viable under the new circumstances. The reform was based on a report titled Nordic Cooperation in a New Time, which was discussed at the Nordic Council session in Reykjavik, in 1995. The report identified “three pillars” of the cooperation. Subsequently, the structure of the Nordic Council committees changed substantially. Prior to the restructuring, the Council had six committees based on issues (budget, economic, social, environmental, legal and cultural issues). These six committees were replaced by three geographically defined committees—Near Abroad, Europe and Norden, which corresponded to the three pillars (Sundelius and Wiklund 2004). The more outward-oriented character of the cooperation was also codified in the amended Helsinki Treaty (The Helsinki Treaty 2010).

The new committee structure had its problems. The committees were too large and the agenda was not distributed evenly. The largest number of issues on the Nordic Council agenda was still in the Nordic sphere (Gry Larsen 2000). In addition, the format did not work well with either the sectoral organization of the Nordic Council of Ministers, the committees at the national level, or the Baltic Assembly. As a result, in the winter of 2001/2, the Nordic Council returned to five committees based on issues rather than geography, plus two more – the Election Committee and the Control Committee. The cooperation still includes Norden, Europe and the Near Abroad, but the committee
structure is similar to the old one (Sundelius and Wiklund 2004).

Even though the 1995 reform was essentially reversed, it is clear that the Nordic Council has been evolving and that efforts have been made to make the cooperation effective and to adjust it to the new circumstances. As Baldersheim and Ståhlberg write, “The restructuring of the Council demonstrated a will among the Nordic political elites to preserve institutionalized Nordic co-operation in the face of the competing European and Baltic Sea projects” (1999, 172).

**Nordic Usefulness**

Another innovation was the idea of Nordic usefulness, or nordisk nytte in Danish and Norwegian and nordisk nytta in Swedish. It appeared first in 1995 in a report Nordic Cooperation in a New Time (Tønnesson 2002, 137). Nordisk nytte/nytta is translated into English as Nordic usefulness, advantage, or benefit; all of these collocations express the meaning of the Scandinavian original. The notion is that Nordic institutions and projects are expected to produce results, efficiency and benefits to the region. The following three criteria have been set to define Nordic usefulness:

1) The cooperation leads to tangible, positive results that are reached through joint action and that could not be reached on a national level.

2) The cooperation demonstrates or develops Nordic affinity.

3) The cooperation increases Nordic competence and competitiveness (Tønnesson 2002, 137).  

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64 This is my somewhat loose translation of Tønnesson’s partial quotations from the
However, the concept has not been without controversy. The report did not specify if all three criteria are expected to apply in all cases (Clemet 2002, 225). Also, a group of civil servants led by Søren Christensen was given the task to evaluate Nordic institutions. The team assigned labels to 47 institutions – high usefulness, medium and low, using mostly financial criteria. Nineteen institutions received a low usefulness classification. At the second Nordic Council session in 1995 many parliamentarians voiced their concerns about abolishing established institutions, but thirteen bodies were eventually eliminated (Tønnesson 2002). The elimination of these institutions has been regretted or considered shortsighted by many (e.g. Clemet 2002; Söder 2000; Grünbaum 2012). However, as I will show below, despite these losses the overall network of cooperation is more extensive than in the past.

Recently, the concept of Nordic usefulness has not appeared very often in Nordic materials. Instead, a related concept is sometimes used – nordisk mervärde, in English Nordic Added Value or NEV (e.g. NordForsk 2010; Enestam 2011; Arnold et al. 2011). In a broad sense, both terms have been used to justify specific projects, institutions or even Nordic cooperation as such.

There is a similar concept used in the EU – European Added Value (EAV), which is used in EU materials to justify, for example, research projects. However, as Arnold et al. (2011) conclude, the EAV has been a part of the building of the federal state. In contrast, the NEV is meant to strengthen individual Nordic nation states through cooperation.

Despite the problems involved in interpreting and operationalizing the concept, it has been a part of the positive response and the evolution of Nordic cooperation. However,
the long-term framework program of the Nordic Council launched in 2009 does not mention “Nordic usefulness.” It also recognizes the “intrinsic value of culture”:

Culture has an intrinsic value, and cultural partnerships form one of the cornerstones of Nordic co-operation. Art and culture are a means of spreading knowledge about the Nordic countries, both within the Region and beyond, as well as promoting an understanding of Nordic culture that facilitates multilateral partnerships and global initiatives. Joint investment in art and creative endeavours is therefore of major importance for the Nordic Region as a global pioneer (Nordic Council 2009, 5).

This suggests that the benefits of the cooperation, including the traditional cooperation in the cultural sphere are not questioned any more the way they were in the 1990s.

**The Network of Nordic Institutions**

According to many Nordists, the “golden age” of Nordic cooperation was in the 1950s and 1960s and the “second golden age” in the 1970s (e.g. Landqvist 2000). Nevertheless, the overall number of permanent Nordic institutions is actually considerably higher now than it was in the mid-1970s. For comparison, in 1975 there were 83 permanent organs funded by the Nordic Council of Ministers. In 1986 there were 112 public or semi-public bodies (Stålvant 1988, 442). Wiklund and Sundelius use the 1978 version of the directory *Nordic Cooperative Organs (Nordiska samarbetsorgan)*. They report that “close to one hundred intergovernamental units” are listed (1979, 102). The latest edition

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65 Stålvant’s numbers are based on the Nordic Council of Ministers’ budgets.
the same publication, Nordic *Cooperative Organs* (Nordic Council of Ministers 1997) shows a considerable increase. In addition to the two councils, and their numerous secretariats and committees, it lists 125 “permanent cooperation organs” located throughout the region. The directory also includes the Norden Associations, which fit Stålvan’s description “semi-public bodies,” the Regional Information Offices, and Conference and Seminar Centers, which also receive financial contributions from the Nordic Council of Ministers. If these offices are included, the total number is about 140. Clearly, the number of permanent organs was still considerably higher in 1997 than in 1978 (Wiklund and Sundelius 1979) or in 1986 (Stålvan 1988).

Nordic institutions under the umbrella of the Nordic Council and Nordic Council of Ministers keep evolving. For example in 1997, the Nordic Centre for Spatial Development (Nordregio) was founded by the Nordic Council of Ministers. It is located in Stockholm, Sweden, and focuses on research of regional development. It also incorporated three previously separate Nordic institutions Nordplan, NordREFO and NOGGRANN (Nordregio 2012). Another example of a new comprehensive institution is NordForsk, which was created in 2005, with the goal of coordinating and boosting Nordic research and innovation. Two older institutions, Nordic Research Policy Council (NFPR) and Nordic Academy for Advanced Studies (NorFA), were subsumed under this new body (NordForsk 2012). Nordic Innovation Centre (NICe) also started operating in 2005 (Ministry for Foreign Affairs of Finland 2006). In January 2012, the former Nordic Institute in Finland (Nifin) merged with another cultural organization, Kulturkontakt Nord (Nordic Culture Point). The joint organization has kept the name Kulturkontakt Nord and remains in Helsinki, Finland (Kulturkontakt Nord 2012). Several new
institutions were also formed to facilitate cooperation in security and defence and eventually merged into the Nordic Defence Cooperation (NORDEFCO), which will be discussed later in this chapter. These are just a few examples which show that the system of Nordic institutions is neither stagnant nor withering away.

**The Nordic Budget**

Another way to look at the development in the volume of cooperation is by looking at the Nordic Council of Ministers’ budget from which many institutions and programs are fully or partially funded. It is a good indicator of the development of the cooperation. The budget has been steadily increasing. It is true that there was a decrease in 1991 and the budget remained below the 1990 level until 1994, but by 1995 it was above the 1990 level and there has been a slow but steady growth. In fact, the budget has almost doubled between 1986 and 2009. All the numbers given are in 2009 money.

![Graph of the Nordic Council of Ministers' budget from 1986 to 2009](source)


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66 I thank Søren Juel Andersen, Senior Adviser from the Nordic Council of Ministers, for
In addition, as we’ll see later in this chapter, some Nordic projects, such as cross-border cooperation, are also financed by national governments or municipalities. Some projects, for example scientific cooperation and cross-border regions, also receive some funding from the EU. In terms of funding, Nordic cooperation is not shrinking.

**The Nordic Embassies Complex in Germany**

The mid-1990s could possibly be labeled as an existential crisis of the Nordic idea. Yet, after the unification of Germany, when Berlin became again the German capital, the Nordic countries took the opportunity and built a new embassy complex, which opened in 1999. It is a symbol of their dedication to each other and their will and ability to cooperate.

The idea of a joint embassy was not new. Cooperation in providing consular services is also anchored by the Helsinki Treaty. According to Wendt (1981) setting up joint embassies had been discussed in the Nordic Council many times, but the complex in Berlin takes the cooperation to a new level.

Each country built its own embassy designed by its own architectural firm, but the embassies are close to each other, surrounded by a copper band about 50 feet high 755 feet long. Part of the complex is also a common building, the *Felleshus* or Pan Nordic Building, that houses a cafeteria for both employees and the public and a space for conferences and cultural events such as film viewing, concerts and exhibitions. The main entrance to the complex is through the common building. Etched in the glass wall above providing me with the data and the graph.
the entrance is the inscription “The Embassies of the Nordic Countries” in all five national languages, plus German and English. Next to the entrance are poles with the five Nordic flags (Nordic Embassies 2012).

Located in one of the largest countries in Europe, the complex sends a message to the outside world that the Nordic countries have a special relationship with each other. Also, traditionally, there have been contacts between diplomats and civil servants abroad (Wendt 1981). The proximity of the embassies and the common building with the cafeteria make the contacts a daily occurrence. Mats Hellström, at that time the Swedish ambassador to Germany, writes: “[I]n my office, when I look out of the window, I can make eye contact with my colleague, the Norwegian ambassador” (2002, 171). The complex also sends a message domestically, reaffirming the countries’ intentions to cooperate. In addition, it is an effective way of marketing “Scandinavian design” and culture. It attracts far more attention than any single country could attract alone.

The Schengen Convention and the European Union

As mentioned earlier in this chapter, when Denmark, Finland and Sweden applied to join the Schengen agreement, there were serious concerns about the fate of the Nordic Passport Convention (H. Andersson 2000, 2001). However, a solution has been found. Norway and Iceland joined the Schengen Area by signing cooperation agreements with the Schengen countries on December 19, 1996. The official web site of Norway’s

67 Hellström is a former member of the Nordic Council. He has also held several cabinet positions in Sweden, including a Minister for Nordic Cooperation
68 The Faroe Islands are not part of the Schengen Area, but they participate in the Nordic Passport Union.
government states explicitly that this was done “to preserve the Nordic passport union.” When later on, the Schengen Cooperation became incorporated into the EU\(^{69}\) by the Amsterdam Treaty, new agreements were signed between the EU and Iceland and Norway in 1999 and implemented in 2001 (The Government of Norway 2012).

The membership of part of the region in the EU did not mean a sharp division of the region either. The differences in the involvement of the Nordic countries in the EU are in reality smaller than they may appear. Finland is the only EU member with no opt-outs. However, during the current eurozone debt crisis, American economist Nouriel Roubini argued that Finland might be the first country to abandon the euro (L. Petersen 2012).

Norway, a non-member, actually has an extensive cooperation with the EU. The main legal basis is the European Economic Area (EEA) agreement between the EFTA\(^{70}\) members and the EU, which gives Norway, Iceland and Liechtenstein access to the internal EU market and an obligation to follow the EU rules related to the market.

Norway also has a number of agreements with the EU regarding specific issue areas in which it wishes to cooperate (The Government of Norway 2012). Denmark has been an EEC/EC/EU member since the 1970s\(^{71}\) but has four opt-outs from the EU legislation, granted by the Edinburgh Agreement, after the Danish referendum in 1992 rejected the Maastricht Treaty.\(^{72}\) Denmark has opted out of the Common Security and Defence Policy

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\(^{69}\) Great Britain and Ireland are not part of the Schengen Area. Romania and Bulgaria have not implemented the Schengen provisions yet. Cyprus also remains outside because of the division of the island. Liechtenstein and Switzerland are members of the Schengen Area even though they are not in the EU.

\(^{70}\) Switzerland, also an EFTA member, is not a member of the EEA.

\(^{71}\) The Faroe Islands are not part of the EU. Greenland left the EU in 1984. Greenland’s relationship to the EU is similar to other overseas territories (Treaty amending, with regard to Greenland, the Treaties establishing the European Communities).

\(^{72}\) In 1992, the Maastricht Treaty was rejected by 50.7% of Danish voters. The Edinburgh
(CSDP) and in the Economic and Monetary Union,\textsuperscript{73} (Denmark and the Treaty of European Union 1992). Norway, on the other hand, has an extensive cooperation with the EU in the area of security and defense and participates in many EU security and defense related projects and programs (The Government of Norway 2012). Sweden has no formal agreement about opting out of the obligation to adopt the euro, but enjoys a \textit{de facto} opt-out. The Swedish public rejected the euro in a referendum in 2003. Like Norway, Iceland is also a member of the EEA and cooperates with the EU. It has applied for the EU membership after the financial crisis in 2008. According to IceNews (2012, June 30), Iceland is progressing quickly toward fulfilling the membership requirements. At the same time, Icelandic Foreign Minister, Ossur Skarphedinsson, admits that there are complicated negotiations ahead regarding whaling and fishing rights. To sum up, all Nordic countries cooperate with the EU. As I will show below, they also cooperate with each other within the framework of different EU organs and initiatives.

After joining the EU, the Nordic members did not want to appear as a bloc (Laursen and Olesen 2000; Hetemäki-Olander 2002; Ojanen 2005b; Enestam 2008). There were concerns that bloc building would somehow antagonize other countries. The three EU members were also trying to pursue their individual national interests (Laursen and Olesen 2000).

Not surprisingly, in the 1990s, Norway showed interest in strengthening of Nordic institutions. Especially after Norwegian public rejected Norway’s EU accession in 1994, Prime Minister, Gro Harlem Brundtland,\textsuperscript{74} was a strong proponent of Nordic cooperation referendum in 1993 was 56.7\% in favor (Laursen and Olesen 2000, 71).

\textsuperscript{73} The remaining two opt-outs are in Justice and Home Affairs and Citizenship in the EU.

\textsuperscript{74} At that time, Brundtland was the Prime Ministers of Norway (1990–96). She had held
as a way to safeguard Nordic values. In addition to idealistic motives, she viewed the Nordic institutions as a vehicle for Norway to have some influence in Brussels (Laursen and Olesen 2000).

After the initial period when Sweden and Finland were trying to go it alone vis-à-vis the EU, some sort of Nordic line started appearing. For example, in 2004, Danish political scientist Søren Dosenrode describes it as follows:

[W]hen any of the three that are members of the European Union (EU) … have held the rotating EU Presidency, they have all (more or less explicitly) referred to aspirations of supporting the emergence of a ‘Nordic dimension’ in the Union. … The concrete content of this “Nordic dimension” has been less clear, but it includes aspects like transparency and ‘openness’ in the EU administration and decision-making process; bringing the EU closer to the citizens; being less formalistic and more pragmatic and so forth. (Dosenrode 2004, 1)

There are also other signs that the Nordics are working to draw the EU’s attention to areas that are of interest to them. One example is the EU’s Northern Dimension, described on the EU web site as follows:

The Northern Dimension (ND) policy, drawn up in 1999, is a common policy shared by four equal partners: the European Union, Norway, Iceland and the Russian Federation. The policy covers a broad geographic area, from the European Arctic and Sub-Arctic to the southern shores of the Baltic Sea, countries in the vicinity and from north-west Russia in the east, to Iceland and Greenland in the west.

the office twice before, in 1981, and 1986–89.
The policy’s main objectives are to provide a common framework for the promotion of dialogue and concrete cooperation, to strengthen stability and well-being, intensify economic cooperation, and promote economic integration, competitiveness and sustainable development in Northern Europe (European Union 2012b).

Another example of a set of policy issues promoted by the Nordics is the EU Strategy for the Baltic Sea Region (EUSBRS), which was adopted during the Swedish 2009 Presidency. The Swedish government sees the EU Strategy as a tool “to contribute to a better marine environment, strong and sustainable growth, reduced economic disparities and reduced cross-border crime” (Government Offices of Sweden 2011).

Both issue areas – the Baltic Sea Region and the Northern Dimension—are included in the long-term framework program for the Nordic Council, including coordination between the two. Cooperation within the EU also includes collaboration within EU programs, such as programs encouraging regional cooperation and cooperation in research and development, which will be discussed later in this chapter.

**Nordic Cooperation Is Seen as a Useful Policy Tool Again**

During the last decade, Nordic cooperation has been on the political radar again. The need for more Nordic cooperation to make sure that the Nordic countries have a say in the enlarged EU has been often expressed by both experts and political practitioners. They all emphasize that the Nordics are small states, and cooperating with each other gives them a chance to be heard and to influence EU agenda and decisions and be more
successful in the globalized world (e.g. Hetemäki-Olander 2002; Norrback 2002; Sundelius and Wiklund 2004; Enestam 2008; Ásgrímsson and Enestam 2007). For example, in January 2008 Jan-Erik Enestam wrote in Turun Sanomat,\textsuperscript{75} one of the leading Finnish newspapers, that “the time is right for Nordic bloc building within the EU context.” He also suggests that important EU documents should be discussed and evaluated through the Nordic lens and the Nordic Council and the Nordic Council of Ministers are good platforms for these discussions (Enestam 2008). Several month later, Swedish daily Göteborgs-Posten, published an opinion piece by two Swedish cabinet ministers, Cristina Husmark Pehrsson and Cecilia Malmström, in which they posit that Nordic cooperation and EU cooperation are not mutually exclusive; they are “two parallel tracks along which we can drive Swedish politics.” The two MPs argue for “a common Nordic line” in the EU (Husmark Pehrsson and Malmström 2008; translation is mine). In another opinion piece, four Nordic Ministers for the Environment report that the Nordics are working together on maritime environmental issues. The ministers also argue for more coordination not only among Nordic countries but also with the EU and the Arctic Council in protecting the sea environment. They end by saying, “Together we are stronger and play a greater role” (Carlgren et al. 2008). In September 2009, Göteborgs-Posten reported that the Norwegian Minister of Foreign Affairs Jonas Gahr Støre sent a letter to his Nordic counterparts, suggesting that they should work together to secure a Nordic membership in G20. Norway by itself is the twenty-third largest economy. Even though the EU is represented, some members, such as Germany, France, Italy and the UK, have their individual memberships (Göteborgs-Posten 2009, September 20).

\textsuperscript{75} I used the Swedish version of the article posted on norden.org web site. The translation of the quotes is mine.
A rather provocative opinion article that received a lot of attention appeared in
October 2009 in *Dagens Nyheter*, a leading Swedish newspaper, Swedish historian and
debater Gunnar Wetterberg argued that that the Nordic countries should unite in a Nordic
Federation. In 2010 he further elaborated on the idea in an eighty-page publication
issued by the Nordic Council of Ministers. The United Nordic Federation would be
modeled on Switzerland and its cantons. Wetterberg argues that the common state would
boost the international standing of the Nordics. Not surprisingly, many arguments are
economic, likely influenced by the financial crisis in 2008. The Nordic state would be
the tenth to twelfth largest economy in the world and as such could be part of the G-20.
With 25 million inhabitants, the federation would be similar in size to countries such as
Italy, Spain and Poland, which would greatly increase the Nordics’ ability to influence
the EU. The publication of the first article coincided with a Nordic Council meeting. The
Nordic prime ministers agreed rather quickly that the Union would not be practical.
However, the proposal generated an unusual number of readers’ comments (Wetterberg
2009b). In fact, in a poll on the web site of the Finnish evening paper *Iltaalehti*, 78% of
those who responded were in favor of the union (Westman 2009). A scientific poll
conducted by Oxford Research in 2010 showed that forty percent of respondents in
Nordic countries were in favor of the Union (Oxford Research 2010). While a new union
is unlikely to be created within the foreseeable future, the provocative idea has generated
a lively discussion in the newspapers in all Nordic countries and drew attention to Nordic
cooperation, showing its great potential.

Most recently, the newly elected Finnish president, Sauli Niinistö, said in an interview
with the Swedish press agency TT that “It is time for a new boost to Nordic cooperation.”
He also said: “The Nordic countries together have a good brand, but I don’t know if we always make good use of it. I would like to have discussions with other Nordic countries and strengthen the cooperation.” When asked, Niinistö confirmed that the cooperation applies also to defense (Winter 2012; translation is mine). In an opinion piece in *Svenska Dagbladet*, Hans Wallmark, a Swedish MP and a member of the defence committee, expresses his high hopes for cooperation with the new Finnish defence minister.

Wallmark stresses the importance of Nordic co-ordination and pooling of resources in the face of shrinking budgets (Wallmark 2012). Finnish Minister for European Affairs, Alexander Stubb, told the Swedish newspaper *Svenska Dagbladet* that “We should benefit enormously if Sweden, as well as Denmark, joined the euro. We have the same view on most issues, and Finland needs more friends” (Larsson 2012; translation is mine). These are just a few examples, but they are very clear signs of increased interest in Nordic cooperation among Nordic politicians.

**Cross-border Cooperation**

One area of Nordic cooperation that has been boosted by the memberships in the EU is cross-border cooperation. To be sure it is not new. Cooperation in regions in border areas has been on the Nordic agenda long before the idea became popular in Europe (cf. Wendt 1981). Cooperation in most of today’s regions had already been in existence by 1981 (Moen and Skålnes 2004). However, in recent years there has been renewed interest in this type of cooperation, the cooperation has been revitalized, and in some cases, such as the Öresund region, considerably extended. Today, the Nordic Council of
Ministers’ web site lists twelve border regions and corresponding regional organizations for which it provides funding. Most of the regions are along the borders between Norway and Sweden and between Sweden and Finland. A somewhat different type of transnational region is NORA, a region comprising Iceland, Faroe Islands, Greenland and coastal areas of Norway. These areas are not contiguous but share issues on which they cooperate. Denmark participates only in one cross-border cooperation, the Öresund region. The renewed interest can be tied to the membership of the Nordic countries in the EU and to the idea of “Europe of Regions” promoted by the EU and supported by the Interreg programs, which are now in their fourth generation. The availability of additional funding from the EU is often mentioned among the reasons for the new momentum the cross-border cooperation has gained in recent years (Baldersheim and Ståhlberg 1999; Lähteenmäki-Smith 2004; Dosenrode and Halkier 2004b). For example, Baldersheim and Ståhlberg write:

New opportunities in the Nordic cross-border ventures have emerged in the wake of West European integration and the erosion of the Iron Curtain. ... Already from the early 1990s, internal Nordic cross-border co-operation has been stimulated by the prospects of the membership in the European Union and the possibility to qualify as an Interreg region or otherwise become beneficiaries of the community initiatives. (Baldersheim and Ståhlberg 1999, 166)

It is also clear that geographic proximity itself is not so important. The Nordic countries clearly prefer partnerships with each other and partnerships are facilitated by their long tradition of cooperation. For example Dosenrode and Halkier write:

Danish experiences with Germany in the Schleswig-Holstein question between
1848 and 1921 followed by the 1940-45 occupation have limited the utility of the potentially valuable historic roots. … [T]he creation of a cross-border region did upset significant parts of the population on the Danish side of the border to Germany, in spite of the hundreds of years of common history as part of the combined duchies of Schleswig-Holstein. (Dosenrode and Halkier 2004b, 202)

**The Öresund Bridge**

The Öresund Bridge is a very tangible symbol of cross-border cooperation between Denmark and Sweden. As a monumental structure, it deserves a special mention. In fact it is the longest bridge in Europe. The idea of a bridge across the Sound is an old one. It was discussed at the very first session of the Nordic Council in 1953 (Tønnesson 2002). During the 1960s and 1970s the possibility of building a new airport on a small island in the Sound was also discussed (Tønnesson 2002). In 1991 Sweden and Denmark signed an agreement about connecting the area between the Swedish city of Malmö and the Danish capital Copenhagen by a combination of a bridge, an artificial island and a tunnel. The Öresund connection was built in the years 1995-1999 and officially opened in 2000. There has been a special committee, the Öresund Committee, set up in 1993 as a political platform for making the integration work by bringing up problems to governments of Denmark and Sweden and the national parliaments, the Folketinget in Denmark and Riksdag in Sweden as well as the EU in Brussels. It receives funding from the Nordic Council of Ministers. The members of the committee represent twelve local organizations cities, municipalities and local administrations on both sides of the bridge. The committee
has 36 members, eighteen from each country. There is a permanent Secretariat in Copenhagen, Denmark, which sees to the implementation of the decisions by the committee (Öresundskomitteen 2012). The region also receives funds from the EU Interreg IV program. Recently the region has been expanded and named Öresund – Skagerrak – Kattegat and includes also Southern parts of Norway. Norway as a non-EU member pays its portion of costs. It is an example of combining the Nordic cooperation with EU programs and tapping into EU funding (European Commission, The).

Cooperation in Education, Research and Innovation

Collaboration in the field of education, research and innovation is another area that has been revitalized as a response to the demands of globalization and European integration. It, too, has a long tradition. Chapter 3 shows that contacts between professional groups started in the nineteenth century. In the post-World War II period, research and education have also been part of the official cooperation under the umbrella of the Nordic Council of Ministers. In the post-Cold War period, science and technology are seen as indispensible tools to achieve and maintain competitiveness. Research and technology are also high priorities within the EU. As small states, the Nordic countries feel that through cooperation, they can become more visible and have more say on the research policy level as well.

In 2002 the Nordic Council of Ministers for Education and Research (MR-U) commissioned a White Paper on Research and Innovation. The project was led by Gustav

\[76\] More information about the region can be found for example in a book chapter by Jensen and Richardson (2004).
Björkstrand\textsuperscript{77} and submitted in 2003. The White Paper analyzed the situation in research and proposed measures to make Nordic cooperation in research and innovation closer. Björkstrand also made suggestions regarding ways in which Nordic collaboration could be encouraged, organized and funded. Part of the proposal was also creation of a Nordic Research and Innovation Area – NORIA (Björkstrand 2003).

In 2005 the Nordic Council of Ministers established a new organization, NordForsk, to help implement NORIA. NordForsk is an independent body under the Nordic Council of Ministers for Education and Research (MR-U). Two existing institutions, Nordic Research Policy Council (NFPR) and Nordic Academy for Advanced Studies (NorFA) were incorporated into this new institution. The NordForsk secretariat is located in Oslo, Norway. The objectives are to organize research collaboration, provide advice on research policy and provide funding for specific projects. The goals and objectives for the current three-year period are formulated in the NordForsk Strategy 2011-14 (NordForsk 2010). NordForsk also publishes several policy briefs every year, providing information on different aspects of research, such as marketing the Nordic countries abroad (Rylander and Haselmayer 2008), cooperating within EU programs (Melin et al. 2011), and assessing the Nordic Added Value (Arnold et al. 2011).

The second pillar of the research cooperation is Nordic Innovation Centre (NICe). NICe is an institution under the Nordic Council of Ministers for Food Policy (MR-N). It links research and innovation and promotes innovation in the business sector (NordForsk 2012).

\textsuperscript{77} Gustav Björkstrand is a former Rector [President] of the Åbo Akademi University, a leading university in Finland, and a Finnish MP, Minister of Culture 1983-87, and the head of the Middle Group in the Nordic Council.
The funding for programs comes from Nordic sources, other stakeholders, which include national bodies such as universities and research institutions, and other sources (NordForsk 2010). While the long-term program does not explicitly name the European FP programs (European Framework Programmes for Research and Technological Development), now in the seventh generation, these programs also provide an opportunity to access funding.

Gunnel Gustafsson, the director of NordForsk, explains the importance of FPs for the Nordic region, and the role of the institutions such as NordForsk for Nordic researchers:

Participation in EU research cooperation is … a main political priority in all the Nordic countries. The EU Framework Programme for Research and Technological Development (FP7) is, for the time being, the main instrument to respond to Europe’s needs in terms of growth and European competitiveness. FP 7 covers the entire range from basic to applied research, and represents a key pillar in the establishment of the ERA [European Research Area]. This represents substantial opportunities for Nordic researchers. At the same time, the size and complexity of FP7 represents challenges for actors from small countries, when it comes to influencing relevant decision-making processes and mobilizing sufficient resources to fully participate. (Gustafsson 2011, 5)

Several policy briefs commissioned and published by NordForsk deal extensively with Nordic participation in the EU Framework Programmes, in particular FP6 and FP7 (e. g. Stroyan 2011; Arnold et al. 2011; Melin et al. 2011).

It has also been found from quantitative and qualitative analyses that within the EU FP Programmes, Nordic countries prefer to collaborate with each other on both research
projects and publications. For example Arnold concludes:

Cooperation is deeply rooted as a phenomenon among Nordic researchers. They reach out to the world for network relationships, based on needs, but end up turning to their neighbours disproportionately often, as we can see from the partnering behaviour in the Framework Programmes or in publishing activities. (Arnold et al. 2011, 55)

*Freedom of Movement: An Old Area of Cooperation with New Urgency*

“Increasing mobility in the Nordic Region” is listed among the permanent goals of the long-term program of the Nordic Council adopted in 2009 (Nordic Council 2009). Part of the statement describing the vision reads, “We envisage a dynamic region without borders, which is capable of meeting the challenges posed by globalization and safeguarding the competitiveness and welfare of the Nordic countries” (Nordic Council 2009, 9).

Enabling Nordic citizens to move around the region, work and reside anywhere within it is a goal that has been around for a long time. Work permit requirements were first suspended for Nordic refugees in Sweden during World War II. Shortly after the establishment of the Nordic Council, the passport union and the labor market union were established. Over the years, other provisions were gradually adopted, for example recognition of diplomas and professional licenses, portability of benefits, double taxation avoidance, and harmonization of laws. Chronological overviews, such as those by Sundelius and Wiklund (2000d) and by the Ministry for Foreign Affairs of Finland
(2006), clearly show that facilitating free movement has been an ongoing process. Ole Norrback, who has devoted more than ten years to the problem, confirms that elimination of “border obstacles” has been a “permanent element in the Nordic cooperation.” He says that while “[s]ome obstacles disappear, others appear” (quoted by Lindén 2011).

The importance of freedom of movement across borders is actually growing. As Norrback points out, “Nordic citizens still largely move within the Nordic region.” He also says that contrary to expectations, the implementation of EU directives often creates new hurdles. A number of obstacles have emerged, for example, in the Öresund region, where a large number of people live in Sweden but work in Denmark (Lindén 2011). The numbers of people who work in another Nordic country have been growing. According to recent data on commuting between Norway, Sweden and Denmark, there were 96,000 people, who were receiving a salary in another country, and 52,900 were classified as commuters. Compared to the 2001 data, the number of people receiving a salary in another country has increased by 74 per cent. The number of commuters more than doubled (Nordisk Pendlingskarta 2011).

A number of steps have been taken recently to deal with the problems. At the requests of the Nordic Foreign Ministers, the Nordic Council of Ministers established the Freedom of Movement Forum, a political organization whose goal is to remove obstacles in the

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78 Ole Norrback is a former Finnish MP. He has also held several cabinet positions, including Minister of Defence, Minister for Nordic Cooperation, and Minister for European Affairs and Foreign Trade. Later he became Finnish Ambassador to Norway and then to Greece (Ole Norrback CV).

79 Based on the 2008 data, 19,805 people commuted daily between Sweden and Denmark in the Öresund Region (Nordisk Pendlingskarta 2011).

80 The information is based on the 2008 statistics. Finland is not included (Nordisk Pendlingskarta 2011).
free movement of individuals and businesses within the Nordic region. Many of the persistent or new hurdles have been revealed in the report *Nordic Citizens’ Rights*, submitted by Norrback in 2002. The Freedom of Movement Forum is headed jointly by its chairman, Ole Norrback (since 2007), and the Secretary General of the Nordic Council of Ministers, Halldór Ásgrímsson. In addition the forum has one member from each country, plus one each from the Faroe Islands and Åland (Freedom of Movement Forum).

An important service established by the Nordic Council of Ministers to facilitate free movement is Hello Norden, started in 1998 and made permanent in 2001 (Ministry for Foreign Affairs of Finland 2006). Hello Norden is an information service that provides advice to those who wish to reside, study or work in another Nordic country. It also collects information from the public about obstacles that emerge and informs officials about these issues (Hello Norden 2012). In 2005 the Nordic ministers of finance launched another service, a virtual tax portal, which provides citizens with advice concerning taxes, and which became a part of Hello Norden (Norden: News and events 2005). In April 2012 debates on freedom of movement were held almost simultaneously in all Nordic parliaments. Increasing mobility of individuals and businesses is considered essential for the region (Nordic Council 2012. “Theme Debate”).

*Cooperation in the Area of Defense*

While cross-border cooperation and cooperation in research and education have a long tradition, cooperation in the area of security, defense and foreign affairs was not on the

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81 Halldór Ásgrímsson is a former Icelandic Prime Minister (Nordic Council of Ministers).
agenda of the official Nordic cooperation organs. As we have mentioned before, defense issues were considered taboo in the Nordic Council. They were not totally absent from the Nordic cooperation, but the contacts were informal and were kept behind the scenes (Tunander 1999; Sundelius 2006).

The only exception was peacekeeping under the UN auspices. To coordinate their peace support operations (PSO), provide personnel training and discuss policy and military matters, in 1964 Denmark, Finland, Norway and Sweden established the NORDSAMFN also known as the Nordic Cooperation Group for UN Matters. It was not a formal organization; it is usually referred to as “an arrangement” or a “forum” (NORDCAPS 2010).

The situation has changed after the Cold War ended. Foreign and security policy have been discussed in the Nordic Council since 1992. Defence Ministers started attending the Nordic Council sessions in 1997 (Sundelius and Wiklund 2000d). In 2001 the Nordic Council launched the Nordic Security Research Programme, based in the Swedish National Defence College in Stockholm (Bailes, Herolf and Sundelius 2006b). There have been more peace operations in which the Nordics participated jointly than during the Cold War. Jakobsen lists six joint military deployments between 1993 and 2001, five in the Balkans and one in Lebanon. In addition, he mentions thirteen other operations in which more than one Nordic country participated but did not have a joint unit (2006, 218).

To meet the new challenges, the Nordic Ministers of Defence founded the Nordic Coordinated Arrangement for Military Peace Support (NORDCAPS) in 1997. It replaced the Nordic Cooperation Group for UN Matters (NORDSAMFN) and extended the scope
of cooperation. The NORDCAPS also offered a variety of courses for PSO personnel in Nordic training centers in different countries. Each country specialized in certain types of courses, which allowed them to provide better training compared to what each country could offer alone. NORDCAPS also provided training to Non-Nordic participants (NORDCAPS 2010).

Two more cooperative arrangements were set up. One was the Nordic Armaments Co-operation (NORDAC), which was established in the 1990s. Its purpose was coordination in the area of defense materiel procurement, development and maintenance. In 2008 yet another body was founded, the Nordic Supportive Defence Structures (NORDSUP), initiated by the Chiefs of Defence in Finland, Norway and Sweden.

A large study has been produced, identifying over 140 areas “where cooperation is either possible or necessary to retain defence capabilities” (NORDEFCO. “History and background” 2012)

On November 4, 2009, all five countries signed a Memorandum of Understanding (MoU), creating the Nordic Defence Cooperation (NORDEFCO). The three arrangements – NORDCAPS, NORDAC and NORDSUP – were merged into this new cooperation. The idea of Nordic defense cooperation is primarily driven by concerns of the military leaders about rising costs and their countries’ ability to maintain their defense capabilities. NORDEFCO is not a military alliance and recognizes other commitments the participants may have vis-à-vis NATO, the EU and the UN (NORDEFCO. “Facts about Nordefco” 2012).

The Memorandum of Understanding is a more formal expression of the intent to cooperate and provides a general framework for defence cooperation. Even though
participants can choose in which projects they want to take part, it means a new stage in their cooperation. Since the Nordic countries are also involved in NATO and the EU security structures, the Nordic arrangements may seem redundant. However, besides costs, there is also the aspect of domestic public opinion. Nordic cooperation enjoys a high level of legitimacy (Neumann 1995b; Ojanen 2005b; Jakobsen 2006). As Jakobsen (2006) points out, the Nordic dimension will help “legitimize” the participation in the peace keeping efforts, in particular in Sweden and Finland (222).

**The Stoltenberg Report – A Long-term Vision**

As we have seen in the previous paragraphs, security has become part of the Nordic agenda. The Stoltenberg Report represents yet another step in that direction.

In June 2008, the Nordic Foreign Ministers asked the former Norwegian politician and diplomat Thorvald Stoltenberg\(^ {82} \) to identify possible areas of cooperation in security and foreign affairs. The ministers appointed to two persons each to provide information, and the Norwegian Ministry of foreign Affairs assisted assigned two civil servants to assist him in writing the report. In addition, Stoltenberg visited all Nordic countries and talked to experts, politicians and representatives of the opposition parties. Stoltenberg draws on a report by the Finnish, Norwegian and Swedish chiefs of defense, who expressed concerns about the rising costs and shrinking budgets. He has also found that “there is a widespread desire in the Nordic countries to strengthen Nordic cooperation.” There are

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\(^{82}\) Thorvald Stoltenberg (born 1931) is a prominent Norwegian politician. Among the posts he has held are Foreign Minister of Norway (twice), Norway’s Ambassador to the UN, the UN High Commissioner for Refugees and Norway’s ambassador to Denmark (Stortinget 2012). Jens Stoltenberg, the current Prime Minister of Norway, is his son.
also tendencies for regionalization within NATO and the EU and there is “a growing interest in regional cooperation between member states and non-member states” (Stoltenberg 2009, 5-6; cf. Jervell 2009a).

The final report has resulted in thirteen specific proposals. While the proposals have been written to include all members of the group, Stoltenberg also anticipates that in some cases two or three countries may work together and the rest could join as they wish (Stoltenberg 2009). Also, as Sverre Jervell\(^{83}\) explains, Stoltenberg was asked to go beyond what was possible right away by about 25 per cent, so the results are to be seen in 10-15 years (Jervell 2009b).

The thirteen proposals are divided into the following seven categories, with one to four specific proposals in each of them:

- Peace building
- Air surveillance
- Maritime monitoring and Arctic issues
- Societal security
- Foreign services
- Military cooperation
- Declaration of solidarity (Stoltenberg 2009, 3).

The Report is very concise, just 36 pages altogether, so the rationale behind each proposal is just 1-2 pages. The proposals include military and civilian security issues and foreign service. Even though several proposals are related, they are essentially discrete objectives that could be implemented independently of each other. Some proposals

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\(^{83}\) Sverre Jervell is a Norwegian diplomat and senior adviser at the Ministry of Foreign Affairs. He was one of Stoltenberg’s two collaborators.
include cooperation that exists; some are new. For example in foreign services, Stoltenberg proposes building more joint embassies and consulates similar to the Berlin embassy in order to cut costs. Patrolling of the air space over Iceland is new; it is an issue that arose after the US left the Keflavik base. The Nordic maritime monitoring system would be primarily civilian, with a strong environmental component. Stoltenberg’s proposals also build on the Nordic tradition of UN involvement. Based on discussions with UN officials, the plan is to build a Nordic stabilization unit that would include both military personnel and humanitarian groups. The unit is meant for UN operations but could also be used for “operations led by the EU, NATO, the OSCE and the EU that have an UN mandate” (Stoltenberg 2009, 8). Several proposals have to do with modern threats, such as cyber attacks. Building a joint “resource network” rather than separate national units could be cost effective. The purpose of the network would be “to facilitate exchange of experience and coordinate national efforts to prevent and protect against such attacks” (21). Joint resources could also be used to form a disaster response unit, which could be used for Nordic needs or elsewhere and for military training and procurement of materiel. One of the proposals also suggests building a military amphibious unit, which would build on cooperation that already exists between Sweden and Finland. This unit could serve the needs of the Nordics but could also be used to contribute internationally. In Stoltenberg’s words, “The Nordic countries should cooperate on international military operations by making joint contributions in areas where there is a demand for this, and where the Nordic countries have particular expertise” (32).

The last proposal in the Report is The Nordic Declaration of Solidarity. At the beginning it was controversial (Jervell 2009b). However, it was agreed upon and signed
on April 5, 2011, at the biannual meeting of the foreign ministers in Helsinki, Finland. It reads in part:

    Should a Nordic country be affected, the others will, upon request from that country, assist with relevant means. The intensified Nordic cooperation will be undertaken fully in line with each country’s security and defense policy and complement existing European and Euro-Atlantic cooperation. (Nordic Declaration on Solidarity 2011)

    In a way some of the proposals build on the fact that whenever possible the Nordics like to choose each others as partners because they work well together thanks to the common values and experience in cooperating with each other. Not less important is the fact that Nordic cooperation has the support of the public. Stoltenberg’s proposals are not intended to make the Nordics major players, but they are intended to boost their image and to curb growing costs of security and foreign service.

**Nordic Cooperation Continues to Enjoy a Strong Public Support**

    The public in the Nordic countries shows strong support for Nordic cooperation. The support has been remarkably steady over the years. Despite the recent doubts expressed by scholars and political practitioners alike, the public support, based on polls, is as high as it was several decades ago or even higher. Even though the questions asked are not identical and therefore direct comparisons are problematic, the overall picture is quite clear.

    Anderson (1967) reports the results of polls conducted in the 1950s. According to the
Gallup polls conducted in Denmark in 1956, 87 per cent of respondents favored more cooperation in culture and the economy, and 72 per cent supported more cooperation in the political sphere. In a poll in Finland in 1954, 40 percent favored the existing level of cooperation and additional forty per cent were in favor of more cooperation. Norway, not surprisingly, showed less enthusiasm. Full 50 percent of respondents had no opinion; 20 percent favored Nordic economic cooperation, 18 percent European cooperation and 12 none (Anderson 1967).

In the 1970, Nikolaj Petersen analyzes the Danish attitudes toward Nordic cooperation. Petersen writes that Nordism has a broad popular support with only 2% respondents holding a negative view. Petersen also reports high levels of cultural affinity; “80% of the respondents agree with the statement that Danes have more in common with the Nordic peoples than with other Europeans” (1977, 267). Petersen also writes that “the potential support for integrative measures in the Nordic sphere is large.” Even though only 25 percent support “unification into one state”, half of the respondents agree with the notion that “the Nordic Council should have a greater say in the politics of the individual Nordic countries” (267). He concludes that “as a whole the public is very sympathetic to Nordic cooperation” (268).

Recent polls also show that a positive view of Nordic cooperation persists. A poll conducted by Oxford Research in all five Nordic countries in 2010 indicates that 78 percent have a positive or very positive view of the cooperation and the negative view is extremely low – only 3 percent of respondents. In response to the question “Do you wish more, the same or less cooperation in the future?” 42 percent chose the same, 56 percent more, and only 2 percent opted for less cooperation (Oxford Research 2010).
A poll conducted in Sweden in 2012 shows remarkably similar results. Seventy-seven percent of respondents described their attitude toward Nordic cooperation as “quite positive” and “very positive” (37 and 40 percent respectively). Only three percent had “a quite negative” and “very negative attitude” (2 and 1 percent respectively). The rest of the respondents indicated that their attitude was neither negative nor positive (21 percent). In the same poll, 45 percent indicated that they identified very strongly with Norden. For comparison, not surprisingly, 81 percent responded that they identified very strongly with Sweden, but only 10 percent identified very strongly with the rest of Europe (Föreningen Norden and United Minds 2012).

The Nordic Council also periodically commissions public opinion surveys. A recent survey was conducted by Research International in 2006 in all five countries. Compared to a similar survey from 1993, the number of people who think that Nordic cooperation has a value for Nordic citizens has increased; in 1993 a little more than half of the participants agreed, while in 2006 the number increased to 76 percent. Eighty percent believe that the cooperation will either remain the same or increase in the future. The desire to cooperate with their Nordic neighbors is really high. Ninety-four per cent find the level adequate or wish for it to increase. The number of the people who want the cooperation to decrease is very low, just 1 percent both in 1993 and 2006. They continue to see their Nordic neighbors as their most important cooperation partners, even though more people believe in 2006 compared to 1993 that their country should cooperate with other countries as well (Nordic Council 2006).

The Finnish research agency EVA84 also found that the majority of Finns support

84 EVA, the Finnish Business and Policy Forum, is a leading think tank funded by the
Nordic cooperation and have a positive view of their neighbor, Sweden. In 2012, 91 percent of Finns strongly agree or agree that “Nordic cooperation is still very important to us despite EU membership.” These numbers have been steady since 2005; in both 2005 and 2007, 92 percent agreed that Nordic cooperation was important. The negatives have been very low. In all three polls, only 2-3 percent disagreed, i.e. considered Nordic cooperation unimportant (Haavisto 2012). The survey results from Finland are particularly interesting in the light of the strong focus on the EU in the 1990s (e.g. Häggman 2005). The Finns still have somewhat mixed feelings about the EU, even though 55 percent have a positive view of the EU membership. At the same time, 76 percent consider the EU overly bureaucratic and 52 percent think that the EU “works on the terms of strong countries” (Haavisto 2012). It is reasonable to assume that Nordic cooperation is among other things seen as a way to have more influence in the EU.

This chapter shows that Nordic cooperation is not dead. Its extent is similar to or larger than before the end of the Cold War. It is evolving to be viable under the new circumstances, and in recent years, several new institutions have been created. Some of its old goals, such as free movement of individuals across borders, have gained new urgency. The EU is actually providing new opportunities to cooperate. Collaboration is seen as a way to pool resources, cut costs and increase the Nordics’ visibility internationally.

business community. It has been publishing attitude surveys since 1992.
CHAPTER 6: NORDIC COOPERATION THROUGH THE LENS OF HISTORICAL INSTITUTIONALISM

In this chapter, I will assess the Nordic cooperation and its persistence in the light of the historical institutionalist approach. I will use my empirical findings presented in Chapters 3, 4, and 5 and evaluate to what degree they conform to the theoretical literature on path dependency and learning and how well these concepts explain the persistence of cooperation as the norm guiding the relations among the Nordic countries and the institutional arrangement as a concrete expression of this norm.

Path dependency contributes to the persistence of Nordic cooperation

Broadly, “[H]istorical institutionalists see institutions as the legacy of concrete historical processes” (Thelen 1999, 382). Path dependency, one of the central concepts of this approach, captures the self-reinforcing mechanisms conducive to institutional persistence. Before I discuss path dependency and the explanations it provides for the persistence of Nordic cooperation, I will show that path dependent processes as described by historical institutionalists indeed took place. I will also show that both rationalist and constructivist approaches contribute to our understanding of the processes. And finally, I will discuss limitations of this explanation.

Nordic Cooperation as a Norm

In many historical institutionalist accounts, at the beginning there is a compelling idea
or set of ideas that become institutionalized (Hall and Taylor 1996; Hall 1995; Peters, Pierre and King 2005; Sanders 2006). As I have shown in Chapter 3, looking for an idea behind Nordic cooperation leads inevitably to the romantic notion of nationalism that appeared in the 18th century and to the pan-Scandinavian movement of the nineteenth century. Not all ideas spawn lasting institutions, but the romantic ideal of a nation has had profound political consequences. In general, fragmentation was far more usual than unification. As we could see, in the Nordic region, both individual nationalisms and pan-Scandinavianism were present. Political unification between the two kingdoms, Denmark (including Iceland) and the personal union of Sweden-Norway, was discussed and promoted by some groups within Scandinavianism.

In their research, historical institutionalists look for points in history when institutions embark on a specific path. At this initial point, usually called a critical juncture, several possibilities for future development exist. The winning alternative may result from contingency and may not be the most efficient one. However, once a specific path is established, it becomes difficult, sometimes virtually impossible, to change. As Margaret Levi explains, “[T]he costs of reversal are too high” and “the entrenchments of certain institutional arrangements obstruct an easy reversal of the initial choice” (quoted by Pierson 2000, 252).

In case of the idea of pan-Scandinavianism, the period prior to 1864 has the characteristics of a critical juncture. One possibility was a common state, either unitary or federal. According to Stråth those in favor were not quite clear about which one. Mostly they thought about “some kind of confederation under a common king” (1995, 38). However, after the Second Schleswig War, a union was no longer considered.
Sweden-Norway did not provide any effective assistance to Denmark, and Denmark lost Schleswig and Holstein. As Stang puts it, “Political (unionist) Scandinavianism never recovered from the disappointment of this period” (1986, 418). The year 1864 is thus associated with the end of political Scandinavianism (Tham 1959; Stang 1986). Another possibility could have been a return to the world according to the realist vision of anarchy, mistrust, security dilemmas and potential wars. After all, during the Napoleonic war, Sweden and Denmark were on the opposite sides, and in 1814, when Norway attempted to create an independent state, Sweden sent troops to enforce the new Union, resulting from the settlements after the Napoleonic wars. The conflict was short, but using military force was still an option (I. Andersson 1970). However, in the last quarter of the 19th century, a third alternative started emerging instead—a special relationship among the Nordic countries and friendly cooperation based on mutual respect for national sovereignty, which gradually became the norm guiding their contacts.

Norms are also tied to identities. Sometimes identities are constructed prior to expressing interests though norms and formal rules and organization (Thelen 1999). The Nordic case is in accord with Thelen’s proposition. As we will see below, the common identity preceded the formal Nordic institutions. The increasing contacts and the strengthening of the identity were mutually reinforcing.

The roots of the common identity are in pan-Scandinavianism. A common identity started to be apparent in the second half of the 19th century. At the same time, individual national identities were consolidated. The regional identity was not a supranational identity; rather it “co-existed” with the individual national identities and reinforced them (Stråth 1995). The Nordic level has developed as an extra layer between the national and
During the second half of the 19th century, a large number of NGOs and regular civil society contacts were established, strengthening the notion of a special group. The trend to create all kinds of associations at the Nordic level that started in the 19th century has been a continuous process. In the 1970s, Barbara Haskel, then a Harvard University student, observed that “almost every organization of significance (and some without) has ties with its Nordic counterparts” (Haskel 1976, 18). Numbers are not readily available, but for example, Stålvant (1988) writes that in 1972 there were 436 Nordic non-governmental organizations. Cooperation among professionals and researchers is widespread even today. As I reported in Chapter 4, there are currently 43 journals with the word “Nordic” in the title and 64 using “Scandinavian” just in the catalog of the Missouri consortium of academic libraries. Recent studies have shown that Nordic scientists seek research partners from other Nordic countries disproportionately often (Arnold et al. 2011).

The idea of the Nordic countries as a “model” emerged first in the 20th century (Christiansen and Markkola 2006; Stråth 1995). While the term is most often tied to the welfare state, as I have shown in the literature review, it is now widely used to describe a multitude of social and political phenomena typical for the region. Recent studies also show quite consistently that they have common cultural and social characteristics (e.g. Christiansen and Åmark 2006; Ervasti et al. 2008). However, the individual national identities remain primary, supplemented by the common Nordic identity.

The existence of a norm can be supported by circumstantial evidence. The idea of a special relationship among the Nordic countries can be illustrated not only by the wide
network of civil society associations mentioned above but also by several peaceful settlements of disputes, so called non-wars, which have been described in Chapter 3. The following are the most often cited examples. One example is the dissolution of the Union between Sweden and Norway in 1905. Another one is the dispute between Sweden and Finland over the Åland Islands in the early 1920s, which was decided by the League of Nations. Yet another case is the issue of sovereignty of Eastern Greenland. This dispute between Norway and Denmark was submitted to the Permanent Court of International Justice in The Hague, which in 1933 decided in favor of Denmark.

Finnemore and Sikkink divide the process of norm establishment into three stages: “norm emergence,” “norm cascade” or spreading of the norm, and “internalization.” In the last stage “norms acquire a taken-for-granted quality” (1998, 895).

I have placed the norm emergence in the period after 1864, when we can see a proliferation of associations and other civil society contacts as well as cooperation among governments that led to the establishment of the Scandinavian Monetary Union (SMU) in 1873 by Sweden and Denmark. Norway joined two years later. As F. Wendt (1981) points out, the SMU had not only a practical but also a symbolic meaning, reinforcing the notion of commonality and enhancing the socializing effect.

To Finnemore and Sikkink, “norm cascade” means primarily the spreading of norms from one country to another. In case of the Nordics, however, we see primarily diffusion from one social or professional group (e.g. lawyers) to another (teachers, economists) through learning and emulation (Nielsson 1990; Østergård 2002). As I have shown, in Chapter 3, there were also popular movements spreading the idea of “brotherhood” and

85 Checkel (1999) uses “diffusion” and notes that other authors also use “spread,” “trickling down,” and “translation” in the same or similar sense.
cooperation. In the rural areas, it was through the Folk High Schools and the teachings of the Danish priest and educator, N. F. S. Grundtvig (I. Andersson 1970; Pedersen 1981; Christiansen 2000; Østergård 2002; F. Wendt 1981). In urban areas, there was cooperation within the labor movement (Christiansen 2000; Stråth 1995). The Nordic Congress of Labor Unions was established in 1886 (Nielsson 1990). But there was also diffusion from Denmark, Norway and Sweden to Iceland and Finland after World War I. Until 1917, Finland was part of the czarist Russia, but after it gained independence it developed into a Nordic country. Iceland was autonomous under the Danish king until 1944, when it became a republic.

The actors promoting the norms are called “norm entrepreneurs” (Finnemore and Sikkink 1998). We could think of the former Scandinavian students as “norm entrepreneurs” of sorts. They were sometimes lampooned because in the middle of the 19th century they engaged in heavy drinking of punch while discussing lofty pan-Scandinavian ideals. In the last decades of the century, however, they became professionals, politicians, civil servants and business people and were establishing associations and meetings with their counterparts in the region (Franzen 1944; F. Wendt 1981; Østergård 2002). Among politicians, Fredrik Bajer from Denmark stands out as a champion of Nordic cooperation. He was among those who helped create the monetary union and proposed the Nordic Inter-Parliamentary Union (NIPU), founded 1907. The NIPU, originally a private organization, was the predecessor of the Nordic Council. Some organizations, especially the Norden Associations, established in 1919, focused specifically on disseminating the idea of cultural affinity and fostering contacts in the region (F. Wendt 1981).
There is already evidence of this norm in the 1930s. In 1934 Per Albin Hansson\textsuperscript{86} described the relationship among the Nordic countries as follows:

We have never been subject to any illusions about a fusion (among the Scandinavian states), which eliminates all reasons for friction; we have not dreamed of new unions which would make Scandinavia into a Great Power in the usual sense; we do not speculate about defense pacts and such things. What we strove for and are striving for, is nothing other than trusting and practical cooperation without any encroachment on the various countries independence.

(quoted by Haskel 1976, 23)

As I have mentioned in Chapter 3, proposals for a common state appeared again during World War II (Franzen 1944; J. Andersson 1994; Stråth 1995), but they never got any traction. When the Nordic Council was established in 1952, it was an advisory body, and the governments did not give up practically anything from their sovereignty (Herlitz 1959 and 1969; Andrén 1964). In 1967, American political scientist Stanley Anderson describes the relationship in a way very similar to the above quote by Hansson:

In international relations, the countries of Scandinavia have found a ‘middle way’ between anarchic use of force and political amalgamation. Among themselves, they will neither fight nor unite. Instead, they follow the way of cooperation, which requires persistent joint effort to increase mutual advantage (Anderson 1967, “Foreword,” x)

A specific expression of the norm is what Miljan describes quite eloquently as the “Nordic filter:"

\textsuperscript{86} Per Albin Hansson was the Chairman of the Swedish Social Democratic Party and a long-time Prime Minister of Sweden.
A Nordic ‘filter’ appears to exist through which external stimuli pass before they are converted into responses by the individual country’s decision-making system. ... The filter consists of each country’s decision-making system making a careful appraisal of the likely effects of its alternative responses on each of the other Nordic countries. This does not mean that each country’s response necessarily incorporates the results of the filter, but it does mean that each response is made in the full awareness of the possible effects on the other Nordic countries. The operation of the filter has produced, with the passage of time, a tendency to coordinate policies as far as practicable, given the differing political, security and economic conditions of the countries involved. (Miljan 1977, 97)

The internalization of cooperation as a norm has been apparent for several decades – among both politicians and the public. In the 1970s, writing about Denmark, Nikolaj Petersen (1977) observes that despite some skepticism about the cooperation among the political elites, “No one goes openly against the Nordic line as such” (N. Petersen 1977, 266). In terms of public opinion, he reports that “As a general policy orientation, then, Nordism seems to be well-nigh undisputed; only 2 percent declare themselves negatively disposed toward Nordic cooperation in general” (266).

As I have shown in Chapter 5, current polls consistently show similar levels of support in all Nordic countries and the polls also show that negative views are very rare. A tangible expression of the relationship among the countries is the Nordic embassies complex in Berlin, described in more detail in Chapter 5. It shows their ability to work together closely, their sense of being a group, but also their wish to preserve their sovereignty and individual traditions. By using a geographical criterion for the placement
of their individual embassies inside the complex, they also affirm the equality of their partnership.

Path Dependency and the Increasing Returns Process

The process of diffusion of the institution/norm described above corresponds to the increasing returns mechanism, described by Pierson:

This conception of path dependence, in which preceding steps in a particular direction induce further movement in the same direction, is well captured by the idea of increasing returns. In an increasing returns process, the probability of further steps along the same path increases with each move down that path. This is because the relative benefits of the current activity compared with other possible options increase over time. To put it a different way, the costs of exit—of switching to some previously plausible alternative—rise. Increasing returns processes can also be described as self-reinforcing or positive feedback processes. (Pierson 2000, 252)

The “norm emergence” corresponds roughly to the “conception of the path.” The “cascade” includes “increasing returns.” It means not only spreading but also strengthening the norm. The “internalization” of the norm corresponds to the point when an institution becomes firmly established. It also becomes resistant to change.

The increasing returns process is apparent in the growing contacts and growing numbers of organizations, projects and agreements. It is also very clear that especially after the Nordic Council was founded in 1952 and even more after the Nordic Council of
Ministers was established in 1971, over hundred different institutions were created. This development supports North’s point that increasing returns are even more powerful in complex institutional arrangements than in case of single institutions (North 1990; Pierson 2000). In other words, as the institutional arrangement grows, the development moves more and more easily in the direction of increased cooperation. Existing institutions facilitate the creation of related institutions and the costs of setting up new institutions decrease. The system of institutions and their incremental development described in Chapter 4 illustrates the point.

Some depictions of path dependency are overly rigid. A frequently cited example comes from technology. It is the design of the QWERTY keyboard (e.g. Thelen 1999; Pierson 2000; Mahoney 2000). The QWERTY example is a useful metaphor, and it also captures the fact that the original choice may or may not be the most efficient one. Even if it is efficient, as technologies change, the original reasons behind the design disappear, and yet the design is locked in. The costs involved, for example, in re-training everybody and replacing all the equipment at once, make change virtually impossible. However, as Thelen points out, this conception of path dependency is “too deterministic” (1999, 385). The QWERTY example implies, among other things, that the original choice lasts forever, or at least as long as typing is necessary. However, many historical institutionalist accounts are much less rigid. Those examining long-term processes often present the developmental trajectories in terms of multiple “critical junctures,” also called “formative moments” (Peters, Pierre and King 2005) followed by periods of stability. A frequently used concept for this pattern of development is “punctuated equilibrium” (Krasner 1984, 240). Thelen (1999) also uses a more understated expression for the formative moments –
“forks in the road.” A number of scholars also recognize that changes can be and often are incremental (e.g. North 1991; Thelen 1999; March and Olsen 2006). The incremental pattern of change is more characteristic of the Nordic case. I will discuss it later in this chapter.

The trajectory of the Nordic case certainly contains a number of “forks in the road.” These are points when challenges to the project appeared. Most challenges were external; some appeared when the cooperation reached a stage again when two or more outcomes were possible. An important example of another formative moment was after World War II, when Denmark, Norway, and Sweden were attempting to create a defense union. However, as we could see in Chapter 3, the emerging Cold War, the World War II experiences of Norway and Denmark, and their differing security needs led to the failure of the negotiations (Wahlbäck 2000). As compensation, in 1952 the Nordic Council was established. Another turning point came in the 1970s. At that time, NORDEK, a comprehensive economic plan, and the need for the Council of Ministers were discussed. While NORDEK failed, the Nordic Council of Ministers was established and the cooperation actually intensified (cf. Sundelius 1976a). Yet another critical juncture appeared at the end of the Cold War. The EU posed a potential threat as a competing idea, but Nordic cooperation prevailed, with a number of adaptations discussed in Chapter 5.

There is a pattern. In all of these cases, the governments affirmed Nordic cooperation. They also managed to find solutions that accommodated both, the Nordic structures and the external ones. In the first case, it was NATO membership of Denmark, Iceland and Norway, Swedish neutrality and Finland’s obligations towards the Soviet Union. In the
1970s, the governments had to balance Finland’s situation, Denmark’s membership in the EEC, the EFTA memberships of the rest, and Nordic cooperation. In the third case, after the Cold War, they were able to reconcile the membership of Denmark, Finland and Sweden in the EU with Nordic institutions and continued Nordic cooperation.

**The Role of Agency**

Some frameworks used by historical institutionalists put too much emphasis on structures, but many recognize the role of agency as well (e.g. Finnemore and Sikkink 1998; March and Olsen 2006; Lawson 2006). As for example Lawson writes, “Human beings are not puppets whose movements are controlled by unseen forces, nor are they automatons, doomed to respond to stimuli in prescribed ways” (2006, 405). Agency is discussed typically at the beginning of the path and in subsequent junctures. For example, Finnemore and Sikkink (1998) consider the role of norm entrepreneurs most important at the early stages. The Nordic case in the 19th century is interesting because there were many actors dedicated to the Nordic idea, but they had no common leadership or a clearly defined goal. Thus Browning and Joenniemi tell us that “Norden … evolved more by default than by design” (2004, 240). However, without these atypical norm entrepreneurs, there would have been no Norden. Various actors continued to play a crucial role in moving the cooperation forward throughout the interwar period (J. Andersson 1994). Neumann (1992b, 1995) makes a similar point, asserting that Nordic scholars and leaders were keeping the idea of Norden alive and building the region. In fact, very active fostering of Nordic identity continued even after the Nordic Council was established. It
was carried out by primarily but not exclusively by the Norden Associations. The voluntary and often informal nature of the cooperation has required continuous nurturing.

Human agency is definitely needed at the forks in the road. There is a popular metaphor – Nordic cooperation as Phoenix – first used by American political scientist Stanley Anderson (Anderson 1967, 119). Essentially, a failure of one Nordic project, such as the Scandinavian defense union, was compensated by the creation of another institution, such as the Nordic Council. It can also be applied to the failure of NORDEK in the 1970s and even to the challenges in the 1990s. However, the cooperation does not magically rise from the ashes by itself nor is it rescued by deus ex machina. The compensatory measures were designed by human actors. Miljan describes the Nordic way as follows: “If you cannot reach consensus at a higher level, you attempt to reach it at a lower level” (1977, 93). In each case, the actors were willing to compromise and to preserve the cooperation by designing alternative solutions.

It is true that existing institutions constrain the actors, but they also provide them with opportunities (March and Olsen 2005). The growth of the Nordic institutions has been very incremental but almost constant (Sundelius and Wiklund 2000d). This kind of development is captured well by the concept of increasing returns, but actors facilitate the process.

Path Dependency and Persistence

Path dependency is the main tool of historical institutionalists to explain persistence. However, several strands exists, depending on whether researchers use primarily the
logic of consequences or the logic of appropriateness, which roughly correspond to a rationalist (utilitarian and functionalist) or a constructivist (legitimation) lens (Mahoney 2000). These two approaches are sometimes also labeled the calculus and the cultural approach respectively (Hall and Taylor 1998, 940). In all cases path dependent mechanisms eventually lead to highly persistent institutions, but the reasons differ. I will briefly consider both, the logic of consequences and the logic of appropriateness, i.e. the rationalist and the constructivist approach and assess how they apply to the Nordic case.

Rationalist arguments, which typically use the logic of consequences, focus on costs as the main reason why institutions prevail (Keohane 1984; Hasenclever, Mayer, and Rittberger 1997; Mahoney 2000). From the rationalist perspective, the main reason for preserving institutions is that “any potential benefits of transformation are outweighed by the costs” (Mahoney 2000, 517). Mahoney labels this explanation “utilitarian.”

A “functionalist” view of path dependence is a slightly different version of the rationalist perspective. Functionality of the institutions is what drives institutional reproduction. In principle it works as follows:

[F]unctionalist logic identifies predictable self-reinforcing processes: the institution serves some function for the system, which causes the expansion of the institution, which enhances the institution’s ability to perform the useful function, which leads to further institutional expansion and eventually institutional

87 Mahoney also includes “power explanation” as yet another rationalist explanation of persistence. An institution persists because “it is supported by an elite group of actors” (2000, 517). I did not include this mechanism because there is no evidence of any particular actor/groups using power to maintain the Nordic institutions. The Nordic cooperation has had support across the political spectrum. Also, no state of the group has had a hegemonic position. This explanation would hold for example for the Warsaw Treaty and the Agreement of Friendship, Cooperation, and Mutual Assistance between Finland and the Soviet Union that existed 1948-92.
consolidation. (Mahoney 2000, 519)

The rationale for maintaining the *status quo* is mainly a concern about losing the function the institution serves.

The utilitarian reasoning works best for economists. In international politics, and specifically in the Nordic case, it could be interpreted as the costs of alienating the other members of the group. Domestically, politicians may also worry about losing votes. This could be a serious concern. In 2010 I asked several prominent Nordic scholars if there were any opponents (politicians or political groups) to the cooperation. The impromptu answers were quite telling: “Not really, [speaking against Nordic cooperation] would not be politically correct,” “[Speaking against Nordic cooperation] would be a political suicide,” and “Nordic cooperation is a safe topic for politicians. Everybody feels good about it.”

In case of an institutional arrangement, the functionalist logic can supplement the utilitarian logic by adding lost function and possible disruption of the whole system to the consequences. For example, the Nordic Council provides a useful forum for the countries to discuss issues of common interest. It also makes it possible to propose solutions to the Nordic Council of Ministers and to the national parliaments and governments. This venue would be lost. This concern was apparent, for example, in Norway in the 1990s. After the 1994 referendum on joining the EU failed, Norwegian Prime Minister, Gro Harlem Brundtland, was a strong proponent of preserving and even expanding Nordic cooperation (Laursen and Olesen 2000). As I have shown in Chapter 4, Nordic cooperation is a complex system of formal and informal institutions. Abolishing the Nordic Council and the Nordic Council of Ministers would jeopardize the functioning
of many agreements and practices that have been taken for granted for a long time. The existing institutions, such as the two councils and their various committees, facilitate creation of additional programs and committees needed to solve current or future problems of common interest.

The logic of appropriateness is mostly used by scholars influenced by constructivism (e.g. March and Olsen 1984; Finnemore and Sikkink 1998). Based on their account, when a norm or a set of norms become internalized, a period of stasis (acceptance of the norm) follows, which is similar to the rationalist account, but the reason for reproduction is the “appropriateness” of the institutions. The preservation of an institution or institutional arrangement is thus tied to its legitimacy. Mahoney explains it as follows:

Institutional reproduction occurs because actors view an institution as legitimate and thus voluntarily opt for its reproduction. Beliefs in the legitimacy of an institution may range from active moral approval to passive acquiescence in the face of the status quo. (Mahoney 2000, 523)

If we apply Mahoney’s definition cited above, most Nordic citizens fall into the category of “active moral approval” rather than “passive acquiescence.” Consistently high approval and extremely low disapproval ratings in polls (see Chapter 5) support this notion. Cooperation is considered “the right thing to do.” The Nordic Council is sometimes criticized for working slowly and focusing on unimportant issues (Engaard 2002a), but the norm itself – cooperation based on respect for national sovereignty – is rarely questioned. The increasing returns principle can be judged by increasing support. Norway used to be described as a rather hesitant member of the group. For example, opinion surveys conducted in the 1950s showed much lower support for Nordic
cooperation in Norway compared to other members of the group (Anderson 1967).

Similarly, Wiklund describes the first Norwegian reactions to Hedtoft’s proposal to establish the Nordic Council as hesitant (2012, 51). Recent surveys did not show any difference among different Nordic countries (Oxford Research 2010).

The high level of legitimacy based on a broad popular support can be traced to the mostly bottom-up development of the institutions. The popular support existed prior to the establishment of the Nordic Council. Andrén (1964) is quite unequivocal about the popular origins of the Nordic institutions:

The main innovation in the field of Nordic cooperation during the post-war [WWII] period is primarily that the governments have in fact accepted such cooperation as one of their duties. The expression of this acceptance is the creation of permanent political and administrative instruments for cooperation in different tasks connected with the Governments, the parliaments and also with various administrative agencies. (Andrén 1964, 212)

Several scholars also point to the connection between domestic and international norms (e. g. Finnemore and Sikkink 1998; Jönsson and Tallberg 2008; A. Wendt 1994), along the lines of the logic of “two level games” (Putnam 1988). In the Nordic case, a similarity between the Nordic regional and domestic politics is an important factor for the popular support and legitimacy. Consensus, cooperation, compromise and peaceful resolution of contentious issues also characterize domestic politics.88 Several case studies

88 An analysis of the consensus-based Nordic political systems can be found, for example, in Elder, Thomas and Arter (1988). The authors talk about “the distinctively Scandinavian culture of consensus and the structures of conciliation and arbitration which have been built up during the twentieth century” (221). In his more recent book, Arter classifies the Nordic countries as “majoritarian democracies,” but writes that “they
of contentious domestic issues (e.g. language and minority issues) that could have led to serious conflicts but were settled peacefully can be found in Archer and Joenniemi (2003). Seeking consensus and respecting equality of the countries and their national sovereignty can make decisions slow. Miljan describes Nordic decision making as a “consensualism of the lowest common denominator” (1977, 91). However, inefficiency does not preclude legitimacy. The two are not positively correlated (March and Olsen 2006). In general, this approach lessens tensions, increases trust, generates good will and increases legitimacy. Since the cooperation is widely perceived as legitimate, it represents a political capital, even though it is not always fully realized.

Many researchers agree that the two approaches – the logic of consequences and the logic of appropriateness – are not mutually exclusive. Lawson also reminds us that Max Weber recognized two types of rationality. He writes, “For Weber, rationality consisted of two ideal types: Zweckrationalität, which is technical, purposive, calculating needs-based rationality, and Wertrationalität, which is inspired by and directed to the realization of values or ‘worth’” (2006, 401; italics added). Hasenclever, Mayer, and Rittberger (1997) argue that neither explanation of the persistence of institutions/ regimes by itself fully accounts for institutional persistence. Similarly, A. Wendt (1994, 2001), Finnemore and Sikkink (1998), and Risse (2002) claim that rationalist and constructivist approaches should not be viewed as dichotomous. The two perspectives can complement each other, and the sharp divide between them is not empirically justified. Simmons and Martin suggest that “the influence of norms on decisions can provide a bridge between the two approaches” (2003, 196). March and Olsen (2006) write that the two logics exhibit varying degrees and types of consensual behaviours” (2006, 273). Domestic influences on Nordic foreign policy are also discussed by Miles (2006).
coexist, but there is no agreement on their relationship. The authors pose a number of questions: “The co-existence of the logic of appropriateness and the logic of consequences also raises questions about how the two interact, which factors determine the salience of different logics, and the institutional conditions under which each logic are likely to dominate” (9).

In case of the Nordics I argue that the two types of reasoning are often intertwined, even though in specific cases one may dominate. A good example is the aid to the Baltic countries in the 1990s. Helping them transition to democracy had broad public support in the Nordic countries since it was perceived as the right thing to do. It followed in the Nordic tradition of missionary activities and aid to the developing countries. It was also something that meshed well with the domestic identities and the way the Nordic people wanted to be perceived internationally (Bergman 2006). Independence of the Baltics and their development toward democracy were also perceived as serving national interests of the Nordics in terms of security in the Baltic Sea area. Cooperation was also important to deal with crime such as drug trafficking or human trafficking (Archer 1999).

The Stoltenberg Report is another example (Stoltenberg 2009). Some proposals, such as preventing cyber attacks, improving disaster response and monitoring the sea and the Icelandic air space, are security issues. Cutting costs is repeatedly used as an argument to justify many of the proposals. In both cases, the calculus approach dominates. However, boosting the countries’ international profile, for example by participating in UN sanctioned operations, can be an example of both, a rational pursuit of national interests and an appropriate action that fits well in with the Nordic cultural values.
Some Nordic institutions are designed to cultivate cultural affinity among the members. Awarding prizes for literature, music, film, and nature and the environment falls primarily into the logic of appropriateness, but without the sense of common identity these prizes and many other cultural institutions help foster, there may be less support for other types of cooperation based on purely or mostly rational calculations. For example, Hans Dalborg, the former CEO of Nordea, describes Nordism in business like this:

For Nordea, the ambition was not any romantic Scandinavianism. We want to make money… [to take advantage of] the economies of scale. We further think that it is easier to merge with countries that have the same understanding of law as we do, that have the same view of what is beautiful and ugly, and what is socially acceptable and unacceptable. Basically, this is about Lutheran Christianity.

(quoted by Lindroth 2008, 5, 16; my translation)

Of course, legitimacy can also be used instrumentally. As Jakobsen points out, Nordic collaboration can help “legitimize” the participation in NATO led peacekeeping operations, in particular in Sweden and Finland (2006, 222), where the public support for non-alignment is still strong and NATO membership remains a controversial issue.

Overall path dependency provides a persuasive explanation of persistence. The Nordic case is largely in agreement with the existing literature on increasing returns and persistence following from this mechanism. It is particularly useful if we combine the

89 Nordea describes itself as “the largest financial group in Northern Europe.” It provides banking services in Denmark, Finland, Norway and Sweden and also has branches in the three Baltic republics, plus in Poland and Russia <http://www.nordea.com/About+Nordea/Nordea+overview/Facts+and+figures/1081354.html> September 20, 2012.
rationalist and the cultural/normative explanations and consider the role of agency as well. However, the institutions may become less consequential as the historical circumstances change.

Adjustment to changes, both domestic and international, improves the chances of institutional persistence

Some historical institutionalists have also observed that institutions survive because they evolve and adapt to new conditions (Thelen 1999; Lawson 2006; March and Olsen 2006). Learning leads to evolution and adjustments, which in turn make institutions more relevant and viable.

Hall provides the following definition:

Learning is conventionally said to occur when individuals assimilate new information, including that based on past experience, and apply it to their subsequent actions. Therefore, we can define social learning as a deliberate attempt to adjust the goals or techniques of policy in response to past experience and new information. (Hall 1993, 277)

Learning is greatly influenced by the past; past policies are often decisive for new ones. This phenomenon is often referred to as the “policy legacies” (e.g. Hall 1993, Checkel 2001).

In the Nordic cooperation, there have always been adjustments along the path, but the

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90 For example, Checkel also argues in favor of “a ‘both/and’ perspective” instead of either rationalist or constructivist (2001, 581). For further discussion of the topic see also A. Wendt 2001).
past two decades in particular provide a variety of examples. After the end of the Cold War, there were concerns that Nordic cooperation had no future. The informal security regime was no longer needed and the traditional type of Nordic cooperation could render the region “a periphery” vis-à-vis the EU and the globalizing world (Wæver 1992a). The reforms and adjustments described in Chapter 5 were responses to these concerns.

The adjustments have been quite substantial. Nordic cooperation has become more outward looking. It now includes cooperation and consultations among the Nordics vis-à-vis the European Union, cooperation in the Arctic and in the Baltic Sea Region. All of these changes reflect the new geopolitical situation and new areas of national interest. Another major change is the presence of security issues on the Nordic agenda. The largely behind-the-scenes cooperation has become explicit. In 2009, all five countries signed a Memorandum of Understanding (MoU), creating the Nordic Defence Cooperation (NORDEFCO). The Stoltenberg Report represents yet another step in that direction and provides a long term vision of the cooperation. The Nordic Declaration of Solidarity, one of Stoltenberg’s proposals, was signed on April 5, 2011.

These and other changes make the cooperation useful under new circumstances. They also build on existing institutional arrangements, and formal and informal procedures used in the past. For example, the institutions built to facilitate the Arctic and Baltic cooperation are modeled on the Nordic Council and the Council of Ministers. Nordic cabinet ministers have sometimes informal breakfasts before EU meetings, which is a custom that resembles the Nordic gatherings at the League of Nations, the UN, UNESCO and other IOs (Götz and Haggrén 2009a). Several proposals in the Stoltenberg report build on the Nordic tradition of peacekeeping. Traditional cross-border cooperation is
also picking up momentum by tapping into EU funding. Nordic researchers often seek out colleagues from other Nordic countries as partners in the EU Framework Programmes for Research and Technological Development, building on a long tradition of Nordic research projects and institutions and professional networks. The legacies of the past can constrain new ideas, but they can also facilitate the adjustments by reducing the likelihood of unforeseen consequences.

The information that leads to adjustments is often provided by officials and policy experts, but other actors may play a role as well (Hall 1993). Hall studies national economic policies in the UK, but the idea of experts providing information as a policy basis is rather similar to the concept of epistemic communities in the international context (P. Haas 1992; Adler and Haas 1992). P. Haas defines an epistemic community as “a network of professionals with recognized expertise and competence in a particular domain and an authoritative claim to policy-relevant knowledge within that domain or issue-area” (P. Haas 1992, 3). Adler and Haas also point out that “Before choices involving cooperation can be made, circumstances must be assessed and interests identified” (1992, 367). Thus Nordic policy experts and social scientist can be viewed as an epistemic community. In fact, the belief that social scientists can help solve societal problems has a long tradition in Scandinavia. As I noted in Chapter 2, the volume of literature on the topic is considerable. The Nordic Council and the Nordic Council of Ministers regularly commission and publish reports, policy briefs, surveys and statistics. Many publications also originate in various policy institutes and universities. For example, the idea of a new Baltic region that appeared after the Cold War ended was widely discussed by Nordic scholars, in particular in Copenhagen (e. g. Wæver 1992a,
Even the research in this field is exemplary of Nordic cooperation. Many publications have “Nordic” in their titles and result from collaboration between contributors from multiple Nordic countries. Many volumes and articles contain prescriptive elements. In recent years, the idea of marketing the Nordic countries abroad has been explored (Rylander and Haselmayer 2008; Browning 2011). Similarly, the idea of “Norden as soft power” appears in a report written for the Swedish Norden Association by Swedish journalist Bengt Lindroth (2008), who conducted interviews to explore the views on the Nordic idea and its potential in a new era.

Nordic cooperation is multifaceted (see Chapter 4). As a result the actors behind the adjustments of goals and procedures of the cooperation also come from different spheres. Besides civil servants and scholars, politicians are involved as well. For example the Stoltenberg report was commissioned in 2008 by the Nordic Foreign Ministers, who asked Thorvald Stoltenberg, a former Norwegian politician and diplomat, to identify possible areas of cooperation in security and foreign affairs. Some actors driving the adjustments are actually individuals or professional groups. Swedish historian and debater Gunnar Wetterberg, who published a series of articles and a treatise proposing a Nordic Federation, is an example of an individual actor (Wetterberg 2009a, 2009b, 2010). Even though the creation of a federal Nordic state seems unrealistic, Wetterberg’s idea stirred up a public debate, highlighting the potential of expanded cooperation.

Professionals and professional groups are adapting to the new circumstances. Studies have found that those participating in the EU research disproportionately often chose other Nordic scientists as research partners (Arnold et al. 2011). Nordic institutions for research and innovations (e. g. NordForsk) are refocusing their visions and services. For example,
they publish policy briefs to make it easier for the researchers to navigate the EU system.

To sum up, learning – the ability of institutions to adjust their goals and practices – adds explanatory power to the idea of path dependency. The Nordic countries have been so far quite successful in adjusting their cooperation to the new circumstances.

**Alternative Scenarios**

Historical institutionalist literature focuses more on critical junctures and path dependent processes that lead to the preservation of institutions than on mechanisms of change (Peters, Pierre and King 2005). Dissolution of institutions is almost antithetical to the path dependency literature. Nevertheless, path dependency does not guarantee that an institution will last for ever. I will look at several alternatives when an institution may not prevail. Outside shock, such as changes in the international system, or a competing idea, such as the European integration, did not cause the demise of the Nordic institutional arrangement. I will consider two more alternatives – a massive failure and the decreasing returns mechanism.

**A Massive Failure**

To be sure, inefficiency itself does not have to lead to the demise of an institution. In fact, as we could see, one point historical institutionalists make over and over again is that path dependence often leads to the persistence of inefficient institutions. Nevertheless, a “massive failure” may be a cause of the demise of an institution (March
and Olsen 2006, 12). The authors do not elaborate on what should be considered a massive failure. This is understandable because there are many kinds of institutions. As a result, failure could be defined in many different ways, depending on the characteristics and the purpose(s) of the institution itself.

If we take cooperation as a norm guiding the relations among the countries, a major failure would be a serious economic crisis caused or perceived as being caused by the arrangement or a military attack on the country or a bloody conflict. In case of the international organizations, disproportionately high costs would also be viewed as failure.

Let us revisit the other possible outcomes in the late 19th century. Even if the unification in the form of federation had materialized in the 19th century, for one thing, it probably would not have been a peaceful process. The histories of the Italian and German unification show that very clearly. In fact, Tilly’s (1990) account of nation formation shows that violence usually plays a major role. Even in Switzerland and the Netherlands, often cited as examples of voluntary unions, there were bloody wars. Spiering writes:

European idealists often cite Switzerland and the Netherlands as living examples of nation-states that have developed out of a voluntary federation of Cantons or Provinces. ... The crucial point here is that the Swiss, proudly living in their Cantons, are said to have an overriding common national feeling of Swissness. This may be so, but a mere glance at the history of the Confederation shows that religious civil wars played a major part in the homogenization of Swiss society. Moreover, at the time of the French Revolution and Napoleon, various conflicts between break-away movements (Patriots, Unionists, Federalists) were settled only after blood was shed. Following the ‘Swiss example’, therefore, would be
following a fairly standard European pathway to nation-state creation. (Spiering 1996, 125)

In case of the Nordic countries, we already know that the Norwegians and the Icelanders wanted and eventually got their own nation states. In the 18th century, the Finns developed their own national identity, and they, too, opted for their own nation state when the opportunity for independence from Russia emerged in 1917.

We also know today that other unions did not last. Czechoslovakia, built partially on the idea of pan-Slavism in 1918, broke up in the “velvet divorce” in 1993. Yugoslavia was less fortunate and erupted in the worst conflict in Europe since World War II. The Slavic nations of the former Soviet Union also created their own nation states in the 1990s. Even today, for example, Scotland and Catalonia would like to break away from their respective states after many years of co-existence.

If the special relationship among the Nordic nations had not developed and they followed the realist billiard ball logic, they would not have enjoyed the benefits of the soft power generated by their mutual support in the League of Nations and the UN and in other IOs. The aid provided during World War II mainly by Sweden to its neighbors made a difference in many people’s lives and saved many lives (e.g. Nissen 1983; Werner 2002). In this light, the voluntary cooperation that emerged in the late 19th century does not represent a case of “massive failure.”

If we look specifically at the post-World War II Nordic institutions, they were successful in several aspects. Conventions such as the common labor market and passport union were created very quickly. Today the passport union is eclipsed by the Schengen cooperation, but the Nordics are proud to have implemented the idea several decades
earlier. Professional licenses are recognized throughout the region. Getting a job in another country may be easier than getting certain jobs in another state in the US because of varying certification and licensing requirements.

It is very hard to assess how well the Nordic Balance, the informal security regime, worked. What is more important though, there is no evidence that it failed. The Nordic countries maintained their freedom and provided good standards of living for their citizens. Especially Finland remained democratic and more prosperous than any of the Warsaw Treaty countries. The Cold War era is associated with good times. Norden as a construct is often somewhat idealized, hence the feelings of “nostalgia” (Wæver 1992a).

The cooperation is very cost-effective, and it is not a burden on taxpayers. According to the official web site, norden.org, it costs every Nordic citizen about 40 Danish Kroner91 a year (about USD 7). The non-bureaucratic character of the cooperation is an important factor in the cost-effectiveness. High costs could decrease the popularity of the cooperation, but the costs are actually very modest.

Nordic cooperation is not perceived as a major failure. It is therefore not surprising that when the Nordics feel they need friends, they turn to each other. This trend is likely to continue in the near future.

Decreasing Returns

Most historical institutionalist literature is concerned with the establishment of the path

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91 This information is based on the budget of the Nordic Council of Ministers. Nordic projects may be also funded from other sources, but the number illustrates the overall costs involved in the cooperation.
and then the self-reinforcing mechanisms that sustain the institution or institutional arrangement. More recently, though, some researchers also focus on incremental change that can produce substantial change over time. For example, Djelic and Quack (2007) use the term “path transformation.” According to them, “Path transformation stems from a gradual succession and combination of incremental steps and junctures; change is gradual but consequential” (161).\footnote{Antikainen (2010) uses this line of reasoning about the Nordic model of education and the welfare state. I am indebted to him for sending me his article.} Most of the growth of the Nordic network of institutions developed incrementally between several points, when important decisions were made. The trajectory was in the direction of more cooperation. But the process could possibly be also reversed. Djelic and Quack use the term “decreasing returns” (163). Gradual decrease in cooperation is also a possibility. As I have reported in Chapter 5, in the 1990s, there were several signs that the cooperation may be losing momentum. Sweden lowered its contribution. In 1996 a number of Nordic institutions were abolished because they were deemed as having “low usefulness.” In addition to Denmark, three more members of the Nordic group applied for the EU membership, and two of them actually became members. EU was becoming a priority. In addition, as Mahoney writes, “changes in the beliefs and subjective values of the actors” can also be mechanisms of change (2000, 517). Several prominent politicians declared the Nordic model out of date. While there were no attempts to abolish the Nordic Council, the possibility of the cooperation fading out was there. And even though tradition reinforces persistence, as March and Olsen point out, it is possible that “people gradually get or lose interest in institutional arrangements” (2006, 12). Memberships in the EU and globalization could trigger change in values and the sense of legitimacy may wither away. During the last decade, Nordic
cooperation actually gained momentum and is very much alive now, but gradual fading away could pose a serious threat to it in the future.

**Conclusions**

Path dependency provides a very persuasive explanation of the persistence of the Nordic institutional arrangement. As I have shown, the logic of consequences and the logic of appropriateness complement each other and help us obtain a richer, more nuanced picture. Legitimacy, tied to Nordic identity, plays a particularly important role. However, path dependency may simply mean that relevant actors do nothing, which may result in sheer inertia. Some organizations may exist on paper only. Some institutions may not be functional any more or may gradually lose their legitimacy as the historical circumstances change.

The concept of learning complements well the rather automatic nature of the path dependency mechanism. Adjustments of goals can help institutional arrangements remain viable. In the case of the Nordic cooperation, the new momentum results from the revised goals and adjustments in procedures, even though they are strongly influenced by the historical legacies that continue to structure the cooperation. In this context, I also argue that human agency should not be underestimated. In particular, in the Nordic case, social scientists and policy experts function as an epistemic community and help shape the institutions.

Even though the Nordic cooperation is currently experiencing a renaissance, I have also assessed possible threats. The most plausible would be a series of incremental
changes over time that can result in substantial changes – a “path transformation.” Along those lines, the cooperation could fade away or be transformed into a different arrangement.


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