The Nordic Countries and the EU: How European Integration Integrates and Disintegrates States Domestically

By

Morten Egeberg

ARENA, University of Oslo


Abstract

This chapter covers the Nordic member states Denmark, Finland and Sweden, as well as the “associated” countries Norway and Iceland, although the latter are not formal members of the EU. It follows the general template by presenting the history and politics of the European issue in these countries, their efforts at influencing EU level policy-making, and how the EU level impacts on their politics, institutions and policies. Basically, two theoretical perspectives are introduced in order to interpret EU-member state relationships. From an intergovernmental perspective, a member country is supposed to act coherently on the European scene, and its integrity is not seriously threatened by international cooperation. However, from an organisational perspective, international and supranational institutions might be organised in such a way that they encourage cooperation and conflict across nation-states, for example, along sectoral, functional, partisan and ideological lines. Research shows that European integration in many situations strengthens national coherence and consistency. However, under certain conditions, national political systems might slightly disintegrate domestically.
Introduction

The Nordic countries are located at the edge of Europe, however, their political, economic, cultural and social life have for centuries been heavily influenced by developments taking place on the European continent or the British Isles. Not only massive wars, but also numerous less dramatic events have made the European context highly present in the everyday life of the Nordic peoples. For example, for hundreds of years, government officials from Nordic countries have travelled around Europe to learn about institutional arrangements that could be imported to their respective home lands (Knudsen 2002), and architecture and furniture reflecting different periods of European style may be found in the most northern periphery. Naturally, the extent to which Nordic countries have made their impact felt in other European countries has been relatively modest. However, for instance, Sweden’s involvement in continental wars and conquering of Baltic and German territories in the seventeenth century were not insignificant at the time. Later on, in the period following WWII, the Nordic welfare state model may be said to have enjoyed some attraction from areas outside the Nordic region. Nordic economies, although not that big, also became relatively prosperous and thus interesting from a broader European perspective.

The Nordic countries got involved in the European integration process at different points in time, and to different degrees. Denmark became a member of the European Community (EC) already in 1973, while Finland and Sweden joined in 1995. Iceland and Norway, on the other hand, became in 1994 associated with the European Union (EU) through the European Economic Area (EEA) agreement which in fact makes the two countries part of the internal market. A section of this chapter will deal with some of the backgrounds for these different paths to involvement in the European integration project. Thereafter, the main parts follow; first, focusing on how the Nordic countries strive to impact on decision processes at the EU level, and how they organise their “inside-up” (bottom-up) processes, and, second, how the EU directly affects their national level (“outside-in” or top-down processes). But, first of all, in the next section, a couple of theoretical ideas will be outlined in order to give us some background for interpreting the relationships between the EU and its member states.
One basic idea here is that if profound transformation of the European political order is really going on, this will be reflected in the way patterns of conflict and cooperation develop. Arguably, if such patterns *along* national boundaries are significantly complemented by such patterns *across* state borders, then deep change is in fact taking place. Thus, as announced in the title of this chapter, European integration might well be accompanied by a certain disintegration of the political system at the national level. The extent to which this may actually happen is here supposed to depend on the kind of institutions that emerge at the EU level, and how these institutions are organised. In the conclusion, the empirical parts will be confronted with the theoretical perspectives.

**Theorising the relationship between the EU and its member states**

There are several contending theoretical angles from which the EU-member countries relationship might be approached. Each perspective has its own expectations about the actual functioning of the European political order. From an *intergovernmental* perspective, member countries act internationally as coherent entities coordinated and led by their respective national governments (e.g., Moravcsik 1998). Thus, the interests of different sub-national regions, branches of government and interest groups are all seen as forged into a common national position that the government advocates in its dealing with other countries. Representatives of national governments arrive at the international scene “pre-packed” with national preferences and identities that only exceptionally might be reshaped significantly at the international level. International organisations are basically seen as arenas for solving collective problems among nation-states, thus, such organisations have no profound independent impact beyond the authority delegated to them by the constituent member states (Moravcsik 1998). It follows that patterns of cooperation and conflict are supposed to *coincide with* national boundaries. Finally, intergovernmentalists tend to see compliance with, or defection from, agreed treaties and conventions as a question of control of national implementation through rewards or punishments (Moravscik 1998).

*Institutional* perspectives (other than rational choice institutionalism) highlight the crucial role that institutions might play at the EU as well as the national level. First,
institutions like the European Commission, Parliament and Council are thought to have an independent impact on actors’ preferences and identities, as well as on EU policies (Bulmer 1994; Aspinwall and Schneider 2000; Olsen 2000). Thus, according to this view, a state centric political order might be transcended in some way or another, something which is not quite foreseeable from an intergovernmental perspective. Second, administrative institutions at the national level may, under certain conditions, distort or seriously hamper implementation of EU policies. This may happen if such policies are incompatible with established institutional core values. If, on the other hand, EU policies are deemed appropriate in relation to a country’s administrative traditions, national adaptation of policies and institutions is supposed to take place on a routine basis without much delay (Olsen 1992; Knill 2001).

The multi-level governance approach offers first and foremost a more accurate account of the actual functioning of the European system of governance. The perspective’s explanatory ambition (if it has any) is less clearly articulated. It portrays the EU as a highly complex machinery characterised by multiple levels of governance and multiple channels of interest representation in which sub-national regions and national interest groups occasionally bypass national governments in order to have a say at the EU level (Kohler-Koch 1996; Hooghe and Marks 2001).

An organisational perspective on EU governance can be seen as a complementary approach that may help to clarify the conditions under which the system will tend to operate according to a basically intergovernmental logic or not (Egeberg 2004). Thus, EU institutions may be structured in ways that underpin and accentuate a state centric order rather than challenge it. Clearly, the set-up of the Council of the EU, like that of classic international organisations, neatly reflects the territorial composition of the system. The structure, thus, embodies a pattern of cooperation and conflict that coincides with national boundaries and may be expected to mainly sustain national identities among policy makers. However, the sectoral and functional specialisation of the Council at the ministerial and working group level may, in addition, evoke sectoral and functional allegiances among participants, i.e. allegiances that cut across state borders (Hayes-Renshaw and Wallace 1997; Egeberg 1999).
The Commission divides its work according to sector or function. Thus, from an organisational perspective, we expect cleavages to emerge along sectoral lines rather than territorial lines (Egeberg 2004). For example, when the Commission worked out its white paper on the Union’s transport policy, a clash was observed between the transport department and the environment department; the latter accusing the former of not paying enough heed to environmental concerns (European Voice, 31 May-6 June 2001). Similarly, the European Parliament organises itself mainly according to non-territorial criteria, namely those of ideology (party) and sector (standing committee) (Hix 1999). By this, the Parliament provides an unprecedented arena for transnational party politics, i.e. politics which involves European level federations of, for example, centre-right or socialist parties.

From an organisational perspective, the unparalleled high level of transnational interest group activity, organised along sectoral or functional lines, found in the EU (cf. Andersen and Eliassen 2001; Greenwood and Aspinwall 1998; Mazey and Richardson 1996), is supposed to be due to the way the Commission and the Parliament structure their work. Their sectorally organised departments and committees create “natural” points of access for interest groups organised according to the same criteria, points that are not that easily spotted in, for example, Coreper or the European Council. Thus, EU institutions facilitate coalition building among similar groups across member states, e.g., industrial or environmental groups.

From an organisational point of view, the advanced division of labour found among EU institutions (executive, legislatures, court, bank, etc.) creates itself a more complex pattern of cooperation and conflict in the system. Since decision makers develop loyalties to their respective institutions, inter-institutional conflicts are also supposed to increasingly supplement intergovernmental ones (Egeberg 2004). For national governments, the (at the international level) unique split between the Council and the Commission means they are in a sense forced to assume two different roles. On the one hand they are expected to serve their respective nations at home and vis-a-vis the Council. However, on the other hand, they have in a sense become part of the EU administration in its policy preparatory and implementation stages. In practice this means participating in (preparatory) expert committees in the Commission and being monitored by the Commission in their implementation work. Finally, an
organisational perspective draws explicitly attention to organisational characteristics of national institutions, not only their culture and traditions, when national coordination and implementation processes are to be accounted for (Kassim 2000; Caporaso et al. 2001; Knill 2001a).

The history and politics of the European issue

None of the Nordic countries were among the founding members of the EC. Denmark, Norway and Sweden instead joined the European Free Trade Association (EFTA), in which the UK was the leading country, from its start in 1960. Iceland became a member of this organisation in 1970. While the EC, and even its predecessor the European Coal and Steel Community (ECSC) of 1952, had a genuine political vision for its future development, EFTA was from the beginning defined as a mere economic project (Urwin 1995). Its objectives were limited to the elimination of tariffs on most industrial goods among its member states. Thus, EFTA membership seemed compatible with the formal neutrality status of states like Sweden, Austria and Switzerland. Finland, however, in the shadow of the former Soviet Union, didn’t feel free to join until 1986. Also, EFTA became an alternative for those countries that shared the British scepticism towards a closer union, and that also adhered to the UK’s more “Atlantic line” in their foreign and security policies (i.e. Norway and Denmark) (Urwin 1995; Eriksen and Pharo 1997).

Compared to Norway, Denmark, with its highly competitive agricultural industry, was, probably in all terms (not only geographically), closer to continental Europe (Eriksen and Pharo 1997). When Denmark, as the first Nordic country, together with the UK, in 1961 applied for full membership in the EC, an application from Norway was submitted the year after. France vetoed, however, further negotiations, and the same happened in 1967 when the same three countries had again applied for full membership of the Community. In the meantime, Nordic cooperation across several policy areas had progressed considerably. Through a network of committees officials had, over time, quite pragmatically, succeeded in harmonising a considerable number of laws; for example, a common labour market had been established and people were allowed to cross borders without carrying their passport with them (Laursen 1998).
After having been rejected by the EC for the second time, then, the Danes initiated a further strengthening of the Nordic alternative by proposing the erection of a Nordic economic cooperation regime (NORDØK). Events in the wider European context soon put an end to this initiative, however. The EC now welcomed new applications for membership, and Denmark and Norway also this time followed the UK in their third attempt (Tamnes 1997). The result was that the UK, Ireland and Denmark became full members of the Community from 1973. Norway remained outside due to a referendum in which the government’s recommendation to enter the EC was turned down by a relatively narrow majority of 53.5 percent of the voters (cf. Pesonen et al. 1998, and Table 1). During the negotiations, the future of the Norwegian fishery regime and non-competitive agriculture were among the hardest issues to solve. The result of the referendum showed that the government had not succeeded in convincing the voters entirely on these points. In addition, there was an enduring, underlying broad scepticism towards becoming part of a “union” once more (Tamnes 1997). It seemed as if both the union with Denmark (1380-1814) and the union with Sweden (1814-1905) were still present in a negative way in the collective memory of the Norwegian people.

Table 1 about here

Also the Danish government referred the membership decision of 1972 to the people; in fact it was required by the constitution to do so. A majority of 63.4 percent then approved the proposal (cf. Table 1). As members of the EC/EU, the Danes have, however, all the time been among the most sceptical to further deepening of the Community/Union (von Dosenrode 1998). Thus, the Maastricht Treaty, which emphasised more intense cooperation in the areas of foreign and security policy, justice and home affairs, and in addition set a time-table for the introduction of the economic and monetary union, became hard to swallow for the Danes. In 1992 a 51 percent majority voted against the agreement (Pesonen et al. 1998). However, the European Council in Edinburgh in 1993 allowed Denmark to opt out of currency union, any future common defence policy and any institutionalisation of European citizenship. Subsequently, a second Danish referendum produced a positive result of 57 percent.
The fall of the Soviet Union and the disintegration of the Warsaw Pact opened new windows of opportunity for the neutral states Finland, Sweden and Austria, which had abstained from membership in the EC/EU because of its genuine political ambitions and close links with NATO (Ekengren and Sundelius 1998; Jenssen et al. 1998). For Finland, it was a high priority to create as many strong ties as possible to the “western bloc”. In addition, Finland, and Sweden as well, experienced serious economic problems in the early 1990s. On this background, the new “single market EC” emerged as an increasingly attractive alternative (Jenssen et al. 1998). The first stage was an agreement between the EC and EFTA in 1992 on the EEA, which in fact made the EFTA countries part of the EC’s internal market. However, almost simultaneously to this event, Sweden and Finland both submitted its membership applications to the EC (Pesonen et al. 1998). Afraid of becoming politically and economically marginalised, Norway followed shortly after (Tamnes 1997). The accession negotiations were completed in March 1994, soon after the EEA agreement had come into force. All countries arranged a referendum on the membership issue that same year.

Table 1 shows that 56.9 percent supported membership in Finland, 52.3 percent did the same in Sweden, while only a minority of 47.7 percent approved Norwegian participation in the EU. Thus, a Norwegian government had suffered a defeat on the issue for the second time. Part of the explanation may be found in the fact that the Norwegian economy was not in the same bad shape as the Finnish and Swedish economies, due to the revenues from the petroleum resources. However, this very popular explanation of the deviant case of Norway should not be assigned too much weight. The reason is that the voting pattern was amazingly similar to the pattern that emerged in the 1972 referendum, i.e. at a time when the so-called “oil adventure” had not yet started. On both occasions, a centre-periphery dimension, both in geographical and social terms, was highly present: the pro-votes were first and foremost found in the southern and most densely populated urban areas and among the more wealthy, better educated and male parts of the population (Jenssen et al. 1998; Tamnes 1997).

The Norwegian voting pattern in 1994 was not only mirroring the 1972 referendum; it was also quite similar to the pattern found in the Finnish and Swedish 1994 referendums (Jenssen et al. 1998). Thus, when Sweden happened to become a
member of the EU, while Norway did not, this might well be due to the more extensive centralisation policy that had been exercised in Sweden for a long time. In all three countries, EU membership was first and foremost discussed as a domestic issue in the sense that the main question raised was: “What is in the country’s best interest?” Only marginally did the debate touch upon issues like the organisation of the European system of governance or its future development (Jenssen et al. 1998; Johansson 2002).

The EU members Denmark and Sweden are not part of the Economic and Monetary Union (EMU). The EFTA countries Iceland and Norway (and Liechtenstein) had to build their relationship to the EU on the EEA agreement which had come into force from January 1994. The EEA countries are made part of the EU’s internal market, and this means that they have to incorporate all EU legislation of relevance to the market project (i.e. the bulk of the Union’s directives and regulations). Important exemptions were, however, made as regards agriculture and fisheries. On the other hand, other fields of cooperation were added, such as research, education, culture, environment and consumer affairs. Like Denmark, Finland and Sweden, Iceland and Norway are also signatories to the Schengen agreement on police and border control cooperation. In addition, Norway has established close cooperation with the EU on a common foreign and security policy (CFSP) (Claes and Fossum 2002).

Although being obliged to incorporate the EU’s internal market legislation into their national legislation, the EEA countries enjoy rather limited rights of participation in the legislative process. Officials from EEA countries may attend relevant preparatory committees in the Commission as well as a number of comitology (implementation) committees. It follows, however, from the non-membership status that EEA nationals are absent from both the College of Commissioners, the European Parliament and the Council of the EU. From an organisational perspective, one could hypothesise that the EEA countries, due to their exclusion from the Council, could become less coordinated and integrated domestically (Egeberg and Trondal 1999). On the other hand, political parties may not have the same opportunities for transnational coalition building, and, thus, potentially bypassing their governments, in these countries. Table 2 summarises the Nordic countries’ various formal forms of association to the EU. Taking into consideration the “opt-outs” among the member states and the peculiar
agreements of the EEA countries, “differentiated integration (or membership)” might possibly be a more proper term than the simple “membership-non-membership dichotomy” (Stubb 1996; Egeberg and Trondal 1999).

Table 2 about here

**Bottom-up processes: aiming at influencing EU level policy-making**

For analytical purposes it may be wise to separate between bottom-up and top-down processes in order to understand EU-member states dynamics. In practice, however, the two are interwoven in a highly complex manner. For example, bottom-up processes, in which national actors strive to have an impact on EU level policy making, are themselves profoundly shaped by the institutional configuration and opportunity structure found at the EU level (cf. Bulmer and Lequesne in this volume; Hix and Goetz 2000). With this in mind, this section will focus on the efforts of the respective national governments, parliaments, political parties and interest groups to influence EU level policy making. The next section on to-down processes will deal explicitly with how the EU level impacts on politics, institutions and policies at the national level.

**Nordic governments in EU policy-making**

Due to the EU’s broad agenda, most central government units in the Nordic countries are affected by the Union’s activities (Lægreid et al. 2002). In order to cope with the European challenge, increased personnel resources have been allocated to this task, however, the institutional structure has remained basically unchanged. Like in other non-Nordic member states, the typical organisational solution seems to have been to integrate EU-related tasks into those units that already deal with the respective issue areas (Jacobsson et al. 2001). Thus, for example, EU transport infrastructure issues have been assigned to the unit in national transport ministries that deal with these kind of issues on a daily basis. This practice expresses clearly that EU politics is, to a very large extent, also domestic politics: it is hard to see how EU issues could be meaningfully put into separate units, or concentrated in, for example, the foreign
ministry. In many ministries and agencies, however, an “EU coordinator” has been appointed in order to have a person dedicated to monitoring the flow of EU-related issues within the institution (Lægreid 2001).

The most visible organisational change that has taken place in the Nordic governments probably is the erection of committee structures for coordinating national EU policies. Denmark, already an EC/EU member from 1973, naturally first embarked on this road. At the lowest level are the 35 (at the beginning, 18) Special Committees, largely reflecting the remits of the Commission’s directorates general (von Dosenrode 1998; Pedersen 2000; Christensen 2002). For example, the Special Committee on Environment is chaired by the Ministry of Environment and has representatives from the most affected ministries, agencies, and also interest groups (see below). The Ministry of Foreign Affairs may participate on all committees. The respective lead ministries are in charge of drafting a proposal on what should be the Danish position on Commission policy initiatives, and, in most cases, the national position is agreed upon at the Special Committee level (Pedersen 2000). If conflicting views cannot be reconciled at this level, however, the dispute is referred to the level above, the so-called EU Committee. It is composed of the secretaries general of the nine most affected ministries and chaired by the foreign ministry’s top official. Finally, at the political level, the ministers most concerned have their Cabinet committee on EU affairs. In practice, most conflicts that are not solved at the Special Committee level have to be referred further to the Cabinet Committee for a final decision, probably because they are of a highly politicised nature (Pedersen 1996).

In order to prepare and coordinate the negotiations on the EEA Agreement, Norway in 1988 established a coordination structure that is a blueprint of the Danish arrangement (Sverdrup 1998). However, since Norway did not become a member of the EU, and, therefore, was not entitled to participation in the Council of the Union, the level of activity never reached the same level as in the Danish apparatus (Egeberg and Trondal 1999). Also the Finns erected a quite parallel coordination structure, consisting of 38 groups at the lowest level (Lægreid 2001). Only the Swedes went their own way in this respect, relying on a more ad hoc and informal network of committees, although with a permanent coordinating committee in the Ministry of Foreign Affairs. At the
political level, a group composed of state secretaries from the most affected ministries convenes regularly (Ekengren and Sundelius 1998; Lægreid 2001).

An observation pertaining to most member states is that prime ministers play an increasingly central role in EU matters, a tendency reflected in growing organisational resources for their offices. In general, however, foreign ministries retain an important role, although in all the member states they find themselves in a position of relative decline (Kassim 2000). This development mirrors the fact that most topics on the EU’s agenda deal with highly domestic issues in the sense that these are issues normally taken care of by others than foreign ministries. The fact that this organisational adaptation has not taken place earlier tells a lot about the inherent robustness of existing institutional arrangements. It may, however, also reflect that, at least some, governments have been eager to retain a definition of EU relations as “foreign policy” and in this way signalling their support to a basically intergovernmental, nation-state based, political order. While pursuing national interests are at the core of foreign ministries’ mission, prime ministers are, arguably, more used to launch party political programmes, for example, on the role of the public sector in the economy. Accordingly, among the Nordic member states, the transfer of responsibility for coordinating EU policies from the foreign ministry to the prime minister’s office has been more significant in Finland and Sweden than in Denmark; probably the most EU sceptical of the three (Jacobsson et al. 2001; von Dosenrode 1998).

We have just learned how the Nordic countries have set up an apparatus within their national administrations in order to co-ordinate their respective policies towards the EU. It remains to be seen, however, whether these arrangements actually result in coherent action or not. Empirical studies show that the extent to which a member state behaves consistently in its relationship to the Union depends heavily on the kind of EU institution it deals with. Thus, table 3 reveals big differences between Commission-related behaviour and Council-related action respectively.

Table 3 about here
Those attending meetings in Council working parties clearly have to consult the ministry of foreign affairs (MFA) or other relevant ministries on which policy position to take much more frequently than those on Commission expert committees. It is also much more common for the former to have clear instructions about how to behave. In fact, it seems to be a matter of routine to endow participants with a clarified mandate before they attend Council meetings while this appears to be far from the case in relation to the Commission. This pattern is highly confirmed by studies that also cover several non-Scandinavian member states, as well as other policy sectors (Egeberg 1999; Egeberg et al. 2003). Thus, as argued in the theoretical part of this chapter, the Council setting, due to its territorial structure, seems to foster policy co-ordination and consistency at the national level, i.e. domestic integration. Accordingly, Jacobsson (1999) observed that the Swedish accession to the EU entailed an increased demand for Swedish policy positions: through EU participation, sector experts not used to think in terms of national interests became aware of their national identities. Also as hypothesised, however, the separate executive role assigned to the Commission tends to split national administrations so that they also assume the role as part of the EU administration as far as policy development and implementation are concerned. Member state officials (never executive politicians) are invited to participate in committees, and their travel and accommodation costs are covered by the Commission. These officials furnish the EU executive with valuable expertise and information on their respective governments’ policy orientations within various policy fields, thus contributing to the Commission’s policy work. Studies reveal that national civil servants show a lot of confidence in the Commission officials with whom they interact (Egeberg 1999; Egeberg et al. 2003; Trondal 2001:214). That national officials participate in a partly uncoordinated and independent way in this arena is also substantiated by the findings presented in table 4. Again, Trondal’s (2001) results from his Scandinavian study are paralleled by those from research including also other member countries (Egeberg 1999; Egeberg et al. 2003).

Table 4 about here
It may seem, however, as if Norwegian civil servants behave slightly differently. A study based on interviews with Commission officials who had served as committee chairpersons reported that Norwegian participants tend to be more concerned with making their national views heard than with contributing to common European solutions (Gudmundsen 2002). Although this kind of approach may be seen as somewhat inappropriate in this particular setting, it is nevertheless highly understandable since the Commission represents the only official channel through which Norwegian interests can be presented on a routine basis. If Norway acts as a lobbyist, however, it is also to some extent treated like a lobbyist: it carries the costs of participation itself, and Norwegian (and other EEA) committee participants are usually seated together with interest groups and other private lobbyists in an open space within the rectangular meeting table. In spite of some observed efforts at coordinating and pursuing Norwegian national interests already at the Commission stage, however, the overall impression seems to be that also the Norwegian executive functions rather compartmentalised and without much attention from its political masters in its relation to the Commission (Veggeland 2000). While the Council structure provides a countervailing and integrating force within the member states, this is not the case for the EEA countries. Thus, the administrative systems of the latter may become relatively more disintegrated and fragmented in their relationships to EU institutions (Egeberg and Trondal 1999; Gudmundsen 2002).

Clearly, in general, role perceptions are more diffuse and relaxed in the Commission committees than within the Council structure (cf. table 4). The considerable representation of expert orientations may be encouraged by the sectoral and functional organisation of the Commission. In the Council context, the “government representative” role dominates, although there apparently is some room for other allegiances as well, particularly among domestic sector personnel. This may be due to the functional and sectoral specialisation of the working party system.

Does the EU level participation of Nordic governments matter? Do they succeed in making their views heard? According to their own judgement, they have, on the average, been relatively successful. More than half of the most affected ministry and agency departments report that their influence on policy-making in the Commission and the Council has been substantial (Esmark 2001:127). However, there are huge
differences among the states. Firstly, the non-member Norway (and probably Iceland as well) lags far behind in this respect. This certainly pertains to Council policy making processes to which the EEA countries have no official access, although one has tried to compensate slightly for this by installing regular meetings between Norway, Denmark and Sweden in advance of ministerial and Coreper meetings (Gudmundsen 2002; Larsen 2001:184). It also, however, relates to Commission decision making, even if the Commission provides the only arena for the involvement of EEA countries on a regular basis in the EU’s policy making processes. The reason could be that EEA countries lack the “access points” that member states may have via their respective compatriots found at the College, cabinet and administrative levels. Although Commission personnel at all levels are supposed to act on behalf of the Commission (and they increasingly seem to do so) and not on behalf of their country of origin, they, nevertheless, tend to facilitate interaction with their respective compatriots; e.g., for linguistic reasons (Nugent 2001). Even participation in expert committees is seen as far less influential by Norwegian respondents than by their Nordic counterparts (Esmark 2001). This may be partly due to the fact that participants from EEA countries may lack some of the strong personal ties that member state officials might be able to build up. The latter, who also see each other frequently at Council working party meetings, have more opportunities for informal networking outside the conference rooms (Trondal 2001:138).

Secondly, influence appears to be unevenly distributed not only between member states and EEA countries, but also among member governments themselves. A significantly higher proportion of Danish administrative units assess their impact as satisfactory compared to their counterparts in the other Nordic member countries (Esmark 2001). In this case, the underlying dimension is probably length of membership. Having been a member for thirty years, the Danish executive has been in a position to accumulate considerable knowledge on how the EU system works, and to develop a wide net of informal and personal relationships. Obviously, this pays off with respect to power and influence in the Union’s decision making processes. Although not that influential, the Swedish government seems, nevertheless, to have championed policies on transparency, the environment and employment with some success (Miles 2000; Johansson 2002).
Nordic parliaments in EU policy-making

While national governments have their well-defined points of access to the EU level of decision-making in the Council structure, national parliaments lack institutional arenas in which to operate at the Union level. Arguably, the main reason is that the EU’s (quasi-) federal structure resembles first and foremost the German polity, which is characterised by a second legislative chamber composed of representatives of the regional (constituent) governments rather than of the regional parliaments, as we find in Austria. Given the strong role of the nation-state in people’s mind, it may be democratically justifiable that national governments rather than parliaments take care of the “sub-territorial” representation at the EU level. After all, only national governments are entitled to speak on behalf of countries as such. In the European Parliament, however, voters are directly represented via political parties, as is the case in (the first chamber of) national parliaments.

On this background, the role of national parliaments in EU policy-making depends on the extent to which they are able to influence their respective governments and hold ministers accountable as regards EU-related decision-making. The role of national parliaments thus has to be indirect under the current institutional conditions. In order to have as much influence as possible, however, all Nordic member states parliaments have assigned responsibility to a particular committee in this respect. The Danish parliament’s European Affairs Committee dates from 1973 when Denmark entered the Community and has, in general, been seen as a successful devise for parliamentary control. It convenes every week ahead of meetings in the EU’s Council of Ministers, and is entitled to impose instructions on ministers on how Danish interests are to be interpreted and pursued. The committee routinely receives legislative proposals from the Commission and the agenda of the Council of Ministers. It may request a memorandum from the government on any case it wishes. These memoranda provide information on a directive’s content, legal basis, relation to existing Danish law, and financial and economic consequences (von Dosenrode 1998).

The Swedish Parliament’s Advisory Committee on European Affairs was modelled on the Danish committee in most respects. The government’s positions in up-coming Council sessions are presented and discussed, but the committee is not entitled to instruct ministers (Ekengren and Sundelius 1998). Contrary to the Danes and the
Swedes, the Finns chose to charge an already existing parliamentary body, the Grand Committee, with the main responsibility for EU-related matters. Also, the standing committees of the Finnish parliament were afforded an influential role from the very beginning. Draft legislation from the Commission is simultaneously forwarded to the Grand Committee and to one or several specialised committees. The latter, in which detailed, sectoral knowledge is often available, prepare an opinion, and the Grand Committee seldom deviates from it. The Grand Committee does not share the Danish committee’s right to impose a clear mandate on ministers. However, since the Grand Committee does not have to rely on the government for “expert” knowledge to the same degree as the other parliaments’ EU committees, it is considered to be the most influential among them (Raunio and Wiberg 2000; Hegeland and Neuhold 2002).

Concerning the EEA countries Iceland and Norway, the parliaments do not even have an indirect role to play at the EU level. Since the governments of these states are not allowed to participate in the Council, the usual occasions for bringing parliaments in are simply not there. No countries seem to involve the parliament already at the Commission stage. This is usually considered to be too early; as we have seen, in this preparatory phase governments have seldom made up their minds, and national officials conceive of themselves as only partly representing their own government. However, the EEA Committee that was set up in the Norwegian parliament prior to the 1994 referendum in the event that Norway joined the Union is still there. The committee consists of the members of the Foreign Affairs Committee, complemented by the Norwegian representatives to the EEA Joint Parliamentary Committee. The EEA committee may be consulted by the government regarding policy issues in which the government strives to influence EU decision-making more informally. However, the committee’s main function is related to implementing EU legislation at the national level. The Icelandic parliament has assigned EU-related tasks to its Foreign Affairs Committee (Raunio and Wiberg 2000).

Nordic political parties in EU policy-making
Modern governments are party-based. In that sense, political parties connect to the international level when governments act internationally. In this case, however, parties are not represented in their own right. National political parties, including Nordic ones, have, however, for a long time taken part in transnational party
federations and cooperation with sister parties in other countries. This kind of networks has made national parties less dependent upon information and ideas provided by their respective governments and embassies, bodies that might be under the control of rival parties (Heidar and Svåsand 1997). Arguably, the EU has profoundly changed the role and relevance of transnational party cooperation. Direct elections to the European Parliament (EP) from 1979, and extended use of the co-decision procedure (involving both the EP and the Council) in EU policy-making, have provided an unprecedented arena for European level party politics. The Nordic Council and the parliamentary assemblies of organisations like the Council of Europe and NATO may have facilitated transnational cooperation among parties. However, it is probably right to say that the rather modest role assigned to these parliamentary assemblies in the decision making process has created few incentives for real coordination among national parties.

Political parties from the Nordic member countries are affiliated to all the major party groups in the EP; the group of socialists and social democrats, the group of christian democrats and conservatives, the group of liberals and the group of left wing socialists. The Norwegian social democrats and conservatives take part in their respective European federations, but obviously not in these federations’ counterparts in the EP; i.e., the EP party groups (Heidar et al. 1997). Among the factors explaining the involvement of national parties at the European level are their organisational resources, their attitudes on European integration and the availability of a relevant “party family” (Bille and Christoffersen 1997). Over time, Nordic parties have devoted more personnel resources to their international activities, and, among these activities, participation in the EP has achieved the absolutely highest priority (Bille and Christoffersen 1997; Jerneck 1997).

EP party groups are remarkably cohesive. They are less cohesive than party groups in the legislatures of the member states, but more unitary than parties in the US Congress (Raunio 2002). Although the formation of transnational party groups benefit from secretarial and financial resources made available by the EP, EP group chairs dispose of few rewards and punishments. For example, they do not control or even influence candidate selection. Instead, common positions emerge through consensual decision making, with groups working hard to hammer out positions that are
acceptable to all or nearly all parties in the group (Hix 1999; Raunio 2002). In practice, then, EP party groups are the central mechanisms for structuring debate and coalition-formation in the EP. Since the EP is dominated by two groups; the European Peoples Party (christian democrats/conservatives) and the Party of European Socialists (social democrats and socialists), voting most commonly reflects the left-right dimension (Hix 1999). The important implication is that national parties become parts of transnational ideological coalitions across member countries. Opposition parties thus also have their own route to EU policy making, bypassing their own governments. This kind of transnational roles assumed by national political parties can be most clearly observed among Danish parties, the Nordic parties supposed to be most familiar with Union politics (Heidar et al. 1997).

**Nordic interest groups in EU policy-making**

National interest groups have multiple tracks to EU level policy making. First, they may work indirectly through their governments. Second, they may contact EU institutions directly in order to present their concerns. However, since EU institutions, and particularly the Commission, from obvious reasons prefer to deal with European level groups, a third option is to go indirectly through such a European association in which the national group is a member (Mazey and Richardson 1996). Interest groups in the Nordic countries use all these routes. Historically, there have been, across policy fields, relatively strong ties between national authorities and different kinds of interest organisations. EU-related issues seem to have been incorporated into these already established relationships. In Denmark, interest groups have also become formal members of the government’s coordination committees for EU-related issues, i.e. the Special Committees (see above) (Pedersen 2001; Christensen 2002). We might expect national groups to work through their governments in situations where they perceive their interests to be nationally based.

Nordic member country associations are directly represented in the Economic and Social Committee (ECOSOC) of the Union. For example, Swedish interest groups dispose of 12 of the 222 seats in ECOSOC. ECOSOC is, however, considered to be too peripheral in the EU decision making process, and too cumbersome as well, to be of any real interest (Karlsson 2000). When it comes to membership in European level groups, a study of Danish national associations (N=1316) unveiled that 36 per cent
were members. Membership was, however, rather unevenly distributed among groups: while about half of the economic (business and labour) interest groups were members, this holds for only 27 per cent of associations within other areas of societal life. The former conceive of themselves as much more affected by the Union’s policies than the latter, however (Sidenius 1998). European level associations also normally welcome the participation of groups originating from non-member countries. Thus, Norwegian interest organisations share this channel of representation with member country associations.

Transnational federations of interest groups have existed for a long time, and their activity covers much more than the EU. However, parallel to what was argued as regards political parties, the political relevance of EU institutions tend to encourage the formation of more governable transnational associations than usually found. Since most interest groups are organised along sectoral and functional lines, they also easily identify their “counterparts” within the sectorally and functionally arranged Commission, or in the specialised committees of the EP. The above study of Danish national interest groups showed that going through European level associations in order to promote their interests is clearly more common than working through Danish authorities (Sidenius 1998). A clear majority of those being members of European level associations considered these to be important both as regards the supply of information and regarding their ability to impact on EU policy making. Moreover, an overwhelming majority states that European level associations have increased in importance since 1985 (Sidenius 1998). Increased importance may be partly due to an enhanced ability to formulate coherent positions on Commission policy proposals. For example, a general tendency within business organisations to base membership on individual companies rather than on national associations, and to introduce majority voting rather than to require unanimity, have been highly conducive to this development (Knill 2001b). Still, however, a lack of resources and autonomy make European level associations less governable than comparable national organisations (Greenwood 2002). Nevertheless, interest groups might, like political parties (see above), forge viable coalitions across member countries through their European level associations. Since most groups champion sectoral and functional interests, coalitions may come to encompass sectorally or functionally based divisions of the Commission, and/or the relevant sectorally specialised committee of the EP.
Top-down processes: how the EU impacts on the domestic level

Becoming a part of the EU (in one way or another) alters profoundly the institutional frame within which a country finds itself. In this section we ask what the consequences are for “domestic” politics, the structuring of particular institutions, and the policies being adopted.

How domestic politics is affected

How the Union impacts on “domestic” politics has already been extensively dealt with in the previous section. As already argued, bottom-up and top-down processes are in practice highly interwoven. The politics of “up-loading” policies to the EU level (cf. the previous section) can only be adequately accounted for by taking into consideration the institutional context present at the EU level. The most important observation made so far is that the existence of EU level institutions may foster new patterns of cooperation and conflict; patterns that cut across national political systems. First, we have seen that the division of work between the Council and the Commission has imposed two separate roles on national governments. According to the one role, executives are supposed to serve their respective parliaments and pursue what has been defined as national interests. The other role makes national administrations almost a part of an “EU administration”, expecting them to deliver both policy-relevant expertise and efficient implementation.

Second, it has been observed that the embryonic bicameralism of the EU legislature offers no direct point of access to the decision making process for national parliaments. Arguably, this strengthens national governments in relation to parliaments since the former also have “their” institution at the Union level; i.e. the Council. Third, we have seen that reforms of the EP have been highly conducive to developing more coherent and governable EP party groups. Thus, ideological cleavages along partisan lines that cut across member countries occur more often than before. Although national parliaments may see their legislative role diminished, political parties, in position as well as opposition, are offered additional arenas at the European level. And, finally, fourth, it has been advocated that the significance of EU institutions, and the fact that the Commission, and, partly the EP, are organised
according to sector and function, has encouraged the formation of more governable EU level interest groups. As a consequence, transnational sectoral and functional coalitions emerge with higher frequency. Thus, although EU level policy-making has narrowed the scope for government-group negotiations at the national level, Union institutions provide new channels and venues for organised interests.

**Institutional adaptation at the national level**

According to a broad survey study of Danish institutions, European integration has primarily left its marks on central government; very little institutional adaptation seems to have occurred at the regional and local level (Beck Jørgensen 2002). As far as the central level is concerned, however, the EU is considered to be an important trigger behind organisational and procedural reforms, and, particularly so in the relatively new member states Finland and Sweden, in which the EU is in fact seen as the main “change agent” (Lægreid 2001). In the “bottom-up section” we have already seen how the nordic governments on their own have coped with the European project institutionally. EU related issues have, as a main rule, been incorporated into already existing administrative structures, although additional personnel resources have been provided. The most visible voluntary adaptation has probably been the erection of committee structures for coordinating EU-related national policy-making. Similarly, the parliaments in Denmark, Norway and Sweden have, as shown, established European affairs committees.

Although EU policies in most areas have to be implemented by the constituent governments themselves, it is probably right to say that the Commission has not yet formulated a common, full-fledged public administration policy (Sverdrup 2002a). There certainly are some EU standards pertaining to “good administration”, for example merit-based recruitment, due procedures and implementation capacity (Goetz 2001). This kind of requirements may represent a serious challenge to many new applicant countries, however, they hardly form a workable template for administrative design in the more advanced member states (Olsen 2002). Nevertheless, if one takes a closer look at some of the directives, one will, within certain areas, find rather precise guidelines on administrative arrangements; for example on the set-up of regulatory agencies in the transport, communication and foodstuff sectors. And monopolies, like the state alcohol monopolies in Finland, Norway and Sweden, are at the outset banned.
by EU law. While import monopolies were abolished, those on retailing survived due to public health concerns (Ugland 2001).

The main conclusion to be drawn from studies of institutional adaptation in Denmark and Norway seems to be that Europeanisation has been incremental and step-wise, and heavily constrained by existing administrative traditions (Sverdrup 1998; Pedersen 2002). However, older institutions display more robustness than younger ones, and highly integrated and coherent policy sectors are less subject to change than those with the opposite characteristics (Marcussen and Ronit 2002; Ugland 2001). Studies of Swedish adaptation, on the other hand, reveal some clash between EU style and Swedish administrative culture. The high pace of decision-making in the Council has, according to Ekengren and Sundelius (1998), challenged the Swedish logic of appropriate procedure. There is simply not time available to erect committees broadly composed of experts and affected parties in order to provide an extensive policy report.

**Policy adaptation at the national level**

While the responses of national institutions to the EU’s development seem in general to diverge considerably, observers seem to agree that significant policy convergence takes place simultaneously (Olsen 2002). If true, this may represent a challenge to institutional and organisational theory since it usually postulates there is a clear relationship between structure and decision behaviour. However, it might very well be that national institutions still primarily match national and “bottom-up” policy making processes (which are probably seen as more important) rather than “top-down” implementation processes. In that case, the observed mismatch makes sense.

Research shows that the average deficit in transposition of Community legislation into national legislation in the period from 1997 to 2001 has decreased from 7.5 per cent to 2.0 per cent. The Nordic countries, member states as well as non-members, are performing even better with a deficit of less than 1 per cent (Sverdrup 2002b). Regarding conflicts over non-implementation, the Nordic states pursue a more consensus seeking approach, with limited use of courts, than the EU average. This pattern may be due to a more consensual policy style supposed to be found in general in the Nordic countries (Sverdrup 2002b; Richardson 1982).
No policy sector in the Nordic countries seems completely unaffected by the EU. However, the extent to which policy adjustment has taken place varies a lot across areas. Focusing on pillar I issues, the Union has left its marks most clearly on agricultural, transport, communication, industry, energy and environmental policies (Lægreid 2001). As a consequence, market solutions have probably become more prevalent in the communication, transport and energy sectors (Claes and Tranøy 1999). Since the EEA agreement leaves out agriculture and fisheries, the EEA countries are obviously not particularly affected in these areas. However, in all other respects, it makes little policy difference if a country is a full member state or an EEA country (Claes and Tranøy 1999). The same is probably true as regards Schengen policies. Concerning pillar II issues, the Finnish and Swedish policy of “non-alignment” has, according to observers, been subject to remarkable changes subsequent to the countries’ involvement in the CFSP (Miles 2000).

Conclusion

We have seen that, in most cases, the Nordic countries’ relationship to the EC or EU has been a highly contentious issue. Two countries are not full members, and “opt-outs” prevail among member states. Political parties, interest organisations and councils of ministers (cabinets) have been deeply split, also internally, on the issue. Thus, the usually more pro-integrationist elites have been afforded narrow mandates for acting at the EU level. Except for Finland, therefore, the Nordic countries are for the most part associated with the more reluctant Europeans. The somewhat peculiar Finnish enthusiasm and involvement on all dimensions can probably only be accounted for by taking into consideration the “special relationship” with the former Soviet Union during the cold war.

When we in this chapter ask whether European integration integrates or disintegrates countries domestically, we are not thinking of whether the EU generates conflicts or not among domestic political actors; it certainly does. What we do have in mind is whether a political system that becomes part of a larger whole continues to act relatively coherently in relation to its environments, or, whether new patterns of
cooperation and conflict that cut *across* national boundaries emerge. According to an intergovernmental perspective, nation-states will be able to aggregate divergent interests internally and to “upload” these in a consistent manner, and, may even be strengthened in this role. Thus, the expectation is that European integration fuels domestic integration simultaneously. From an institutional and multi-level governance perspective, on the other hand, preference and identity formation is a “two-way process”, and transnational coalitions that bypass national governments might well emerge. From an organisational perspective, however, both developments are plausible, depending on the institutional constellation present at the EU level.

Clearly, the EU Council represents an integrating force at the domestic level. In the Nordic member countries on which we have data, Council participation is characterised by national coordination among government departments, parliament and interest groups. Had it not been for the fact that the EU also consists of institutions based on non-territorial principles of specialisation, intergovernmentalists would have been mainly right. First, the pure existence of the Commission and its executive functions assign an additional role to national governments; namely that of becoming part of a *European* administration as well. In this capacity, we have seen that Nordic officials experience ambiguous role expectations and tend to act relatively independently from national coordinators. Second, due to the sectoral and functional organisation of the Commission, it seems to underpin administrative segmentation at the national level, and encourage transnational coalitions of interest groups. From the available data, we have seen that Nordic organised interests increasingly prefer to approach EU level policy making through their respective European level associations. And, third, due to the growing role of the EP, Nordic political parties get more involved in transnational party coalitions. In sum, there are thus clear signs that European integration also might decompose national political systems. As argued in the introduction, one could indeed perceive of profound transformation of the existing state order as precisely the process whereby EU institutions manage to redirect patterns of cooperation and conflict so that these patterns also cut across national borders. Looking for institutional or policy convergence or divergence across countries in this respect might be less fruitful. After all, national institutions and policies have for centuries been more or less Europeanised *within* a Westphalian political order.
Parallel to observations made in other member states, policies tend to converge more than institutional forms also in the Nordic states (both members and non-members). For example, the coordination structures installed by governments and parliaments are not exactly the same. In these respects it doesn’t seem to matter whether a country is a full EU member or not. However, we have seen that a state’s form of association with the Union does have a say as far as participation and influence at the EU level are concerned.

Acknowledgement
I am grateful to Ulf Sverdrup and other colleagues at ARENA for their comments.
References


Guide to Further Reading

Jenssen et al. covers much of the history and politics of the European issue in the Nordic countries. Jacobsson et al. compares EU adaptation by the governments of Denmark, Finland, Norway and Sweden. The rest are chapters available on particular countries and their relationships to the EU.


Web Site References
Access to the Danish Government with links: www.statsministeriet.dk
Access to the Finnish Government with links: www.statsradet.fi
Access to the Icelandic Government with links: www.brunnur.stjr.is
Access to the Norwegian Government with links: www.odin.dep.no
Access to the Swedish Government with links: www.sweden.gov.se
Access to the European Free Trade Association (EFTA): www.efta.int
Table 1

The Nordic referendums on membership in the EC/EU

<table>
<thead>
<tr>
<th>Country</th>
<th>Date</th>
<th>Type</th>
<th>“Yes” %</th>
<th>Turnout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Norway</td>
<td>25 Sept. 1972</td>
<td>Consultative</td>
<td>46.5</td>
<td>79.2</td>
</tr>
<tr>
<td>Denmark</td>
<td>2 Oct. 1972</td>
<td>Binding</td>
<td>63.4</td>
<td>90.4</td>
</tr>
<tr>
<td>Finland</td>
<td>16 Oct. 1994</td>
<td>Consultative</td>
<td>56.9</td>
<td>74.0</td>
</tr>
<tr>
<td>Sweden</td>
<td>13 Nov. 1994</td>
<td>Consultative</td>
<td>52.3</td>
<td>83.3</td>
</tr>
<tr>
<td>Norway</td>
<td>28 Nov. 1994</td>
<td>Consultative</td>
<td>47.7</td>
<td>89.0</td>
</tr>
</tbody>
</table>

Source: Pesonen et al. 1998: 16-17

Table 2

Nordic countries: formal forms of association to the EU

<table>
<thead>
<tr>
<th>EU member</th>
<th>Schengen</th>
<th>CFSP</th>
<th>EMU</th>
<th>EEA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finland</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Sweden</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>(X)</td>
<td>(X)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Iceland</td>
<td>(X)</td>
<td></td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

(X): Limited access to the policy making process
### Table 3
Percentage of Scandinavian national officials who agree on the following assertions:

<table>
<thead>
<tr>
<th>Assertions</th>
<th>Domestic officials</th>
<th>Permanent</th>
<th>Domestic officials</th>
<th>Permanent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EC</td>
<td>WP</td>
<td>EC</td>
<td>WP</td>
</tr>
<tr>
<td>“I have to co-ordinate with the MFA or with other central co-ordinating units”</td>
<td>15</td>
<td>49</td>
<td>19</td>
<td>57</td>
</tr>
<tr>
<td>“My position has been co-ordinated with all relevant ministries”</td>
<td>26</td>
<td>61</td>
<td>29</td>
<td>74</td>
</tr>
<tr>
<td>“I have clear instructions as to what positions to follow in EU committees”</td>
<td>27</td>
<td>64</td>
<td>24</td>
<td>59</td>
</tr>
</tbody>
</table>

*Note:* The table is based on 209 returned questionnaires from Danish, Norwegian and Swedish officials participating in expert committees in the Commission (ECs) and Council working parties (WPs) respectively. (WPs are only relevant for Danish and Swedish respondents.) “Domestic (home-based) officials” were drawn from two sectors; environment and the occupational health and safety sectors. “Permanent representatives” were drawn from the three countries’ staff at the Permanent Representations in Brussels.

*Source:* Trondal 2001:158,163

### Table 4
Percentage of Scandinavian national officials who perceive colleagues from other countries as “independent experts” or “government representatives”

<table>
<thead>
<tr>
<th>Colleagues' roles:</th>
<th>Domestic officials</th>
<th>Permanent</th>
<th>Domestic officials</th>
<th>Permanent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EC</td>
<td>WP</td>
<td>EC</td>
<td>WP</td>
</tr>
<tr>
<td>Mainly “independent experts”</td>
<td>32</td>
<td>16</td>
<td>32</td>
<td>12</td>
</tr>
<tr>
<td>Mixed roles</td>
<td>38</td>
<td>16</td>
<td>41</td>
<td>5</td>
</tr>
<tr>
<td>Mainly “government representatives”</td>
<td>30</td>
<td>68</td>
<td>27</td>
<td>83</td>
</tr>
</tbody>
</table>

*Note:* See table 3

*Source:* Trondal 2001:208