

The Case of the Nordic Councils

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The global architecture of multilateral diplomacy is in transition and a comprehensive understanding of the new dynamics, players, and capacities is needed. The Mapping Multilateralism in Transition series features short briefing papers on established but evolving regional organizations and select cross-regional organizations. The papers aim to: (1) identify the key role and features of the organizations; (2) assess their current dynamics; and (3) analyze their significance for the overall regional and global geopolitical context.

This paper examines the Nordic Council and the Nordic Council of Ministers, the two principal regional organizations comprised of Denmark, Finland, Iceland, Norway, and Sweden.

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Nordic multilateral cooperation represents one of the oldest and most traditional forms of regional cooperation in Europe. It comprises the five Nordic countries (often referred to as “Norden”)—Denmark, Finland, Iceland, Norway, and Sweden as well as their autonomous regions, the Faroe Islands (Denmark), Greenland (Denmark), and the Åland Islands (Finland). Nordic cooperation has deep roots in history, but started to become more institutionalized and formalized only after the end of the Second World War. Nordic cooperation builds primarily on consultation and coordination without affecting the countries’ sovereignty.¹ Four factors were decisive for the emerging Nordic multilateral structures after World War II: first, the countries share common historical and cultural traditions, and their closely related languages enable transnational contacts on all societal levels; second, the division of labor within their joint institutions bears several advantages; third, the unequal power dynamics of several Nordic countries bordering major European military, economic, and cultural powers led to the solidification of a Nordic identity and a strengthening of Nordic cooperation; and finally, mutual support for a Nordic commitment to act independently in world politics.² The most important aspirations of Nordic cooperation were to provide an independent alternative to other forms of international cooperation and national arrangements and to develop Nordic partnerships through cultivating and strengthening the Nordic languages as well as culture.³

The interparliamentary Nordic Council and the intergovernmental Nordic Council of Ministers are the most prominent institutionalized expressions of Nordic cooperation.⁴ Both are independent but strongly interlinked international organizations. The membership of each of the Nordic councils consists of the aforementioned five countries including their autonomous regions.

The Nordic Council and the Nordic Council of Ministers

The Nordic Council was established in 1952 and serves as a forum for promoting cooperation among the Nordic countries’ national parliaments. In order to promote more regular and structured cooperation among govern-

1 Nils Andrén, “Nordic Integration,” *Cooperation and Conflict* 2, No. 1 (1967): 1–25, p. 11.

2 Tom Schumacher, “The Emergence of the New Nordic Co-operation,” Working Papers 2000/6, Copenhagen: Dansk Udenrigspolitisk Institut (DUPI), 2000, pp. 4–5.

3 Johan P. Olsen and Bjørn Otto Sverdrup, “Europa i Norden,” in *Europa i Norden: Europeisering av nordisk samarbeid*, edited by Johan P. Olsen and Bjørn Otto Sverdrup (Oslo: Tano Aschehoug, 1998), pp. 10–33, see pp. 18–20.

4 While the Nordic Council and the Nordic Council of Ministers are independent institutions in what follows they will be referred to in plural as the Nordic councils.

ments, the Nordic Council of Ministers was inaugurated in 1971 as a separate intergovernmental institution. Its main task is to coordinate intergovernmental cooperation. It is responsible for the implementation of common policies and projects. As a consequence, the Nordic Council's role changed as one of its main functions became to monitor intergovernmental cooperation and to develop as well as maintain a close dialogue with the Nordic Council of Ministers.⁵ The close links to the governments and to the Council of Ministers are essential parts of Nordic parliamentary cooperation. Government representatives, even prime ministers, address the annual Nordic Council sessions and discuss issues of importance with the members of parliaments. This is a special feature of Nordic cooperation, distinguishing it from other forms of international cooperation where the governmental and parliamentary levels are more strictly divided.⁶

The Nordic Council issues nonbinding recommendations to the Council of Ministers and the Nordic governments, takes initiatives, gives inspiration, exerts control, and expresses criticism.⁷ Overall it has been able "to pave the way for common initiatives, either by influencing national governments or through the preparation of parallel legislation."⁸ The Nordic Council is an instrument to find solutions for common problems in the region; it is a work and meeting place for Nordic politicians and plays an important role as a forum for debate, information exchange, and opinion forming.⁹ Despite occasional criticism and doubts about its political relevance, overall the Nordic Council has preserved this role until today.

Each member country is represented in the Nordic Council by a national delegation into which representatives from each party with members in parliament are elected. That is, any party with a seat in a member state parliament earns a place in their national delegation to the Nordic Council. The delegations of Denmark, Finland, Sweden, and Norway each consist of twenty members of parliament—Iceland's consists of seven. The Danish and

Finnish delegations include two members each from the Danish autonomous regions, Faroe Islands and Greenland, and the Finnish autonomous Åland Islands. In the 1980s, Nordic party groups were established as a means to not only cooperate along national lines but also to foster cross-border cooperation between parties of the same or a similar nature, strengthening their impact on Nordic cooperation and emphasizing the joint Nordic nature of the cooperation. The parties are grouped into social-democratic, conservative, socialist-green, center (liberal, Christian-democratic, and green parties), and right-wing-populist party groups.

Five expert committees, consisting of delegates from each member country, prepare motions and decisions in specific issue areas: culture and education, citizens and consumer rights, environment and natural resources, business and industry, as well as welfare. The presidium is the Nordic Council's political steering body that coordinates the work of the various Council bodies and elaborates working plans and the budget. Furthermore, the presidium takes responsibility for foreign and security policy-related questions. The Nordic Council president, who is elected for one year and represents the country where the annual session is staged, chairs the presidium. Furthermore, a control committee oversees the budget and controls activities that profit from joint Nordic funds. The Nordic Council Secretariat in Copenhagen, headed by a secretary-general and supported by fifteen staff members, supports the work of the presidium, the committees, and other working parties.

Officially, the Nordic countries' prime ministers head intergovernmental Nordic cooperation as formalized in the Nordic Council of Ministers. The prime ministers meet for informal consultations at least twice a year. The Nordic Council of Ministers consists of eleven ministerial councils. The ministerial council for general Nordic cooperation¹⁰ consists of the ministers for Nordic cooperation and coordinates formal Nordic intergovern-

5 Karina Jutila and Terhi Tikkala, "Skilda vägar? Nordiska rådet och EU," Helsinki: Tankesmedjan e2, 2009, p. 6.

6 Henrik Hagemann, "Forelæsning for amerikanske gæster fredag den 25. februar," Copenhagen: The Nordic Council Secretariat, 2005, p. 3.

7 Frans Wendt, *Nordiska Rådet. Riksdagarnas nordiska samarbete* (København: Föreningen Norden, 1965), p. 21.

8 Johnny N. Laursen and Thorsten B. Olesen, "A Nordic Alternative to Europe," CORE Working Paper 2/1998, Copenhagen: Institute of Political Science, 1998, p. 24.

9 Wendt, *Nordiska Rådet. Riksdagarnas nordiska samarbete*, p. 23.

10 In each Nordic country, one cabinet minister is delegated in addition to his/her other duties the responsibility to coordinate Nordic cooperation. For instance, in Sweden the minister for social affairs is also minister for Nordic cooperation.

mental cooperation in a manner similar to the Council of General Affairs of the EU. The other ten ministerial councils are responsible for one specific or several policy areas.¹¹ Decisions in any of the ministerial councils have to be taken by unanimity. The Nordic Council of Ministers is chaired by a one-year presidency that rotates among the five member countries. The presidency drafts a program with priorities, objectives, and guidelines for the upcoming year. While the ministers only meet occasionally to take the political decisions, the Nordic Committee for Cooperation, consisting of high-level officials from the Nordic countries' ministries of foreign affairs, is responsible for the day-to-day coordination of general cooperation and the more technical decision-making process. Various expert committees of national senior officials from various government departments prepare the decision-making process and the implementation of activities in specific issue areas, supporting the work of respective ministerial councils.

The Nordic Council of Minister's Secretariat in Copenhagen is an important backbone for the intergovernmental cooperation. It is headed by a secretary-general, usually a senior politician—currently Dagfinn Høybråten from Norway—and employs about 100 persons divided into three thematic departments (i.e., culture and resources, growth and climate, and knowledge and welfare) and two supporting departments (i.e., service/administration/finance/IT/human resources and public relations jointly with the Nordic Council Secretariat).

In the context of its adjacent-areas policies and to support local activities, the Council of Ministers runs regional information offices in the capitals of the three Baltic States, in the Russian cities of St. Petersburg and Kaliningrad, and several information points in Northwest Russia. A wide network of currently thirty-eight institutions, centers, and offices work under the auspices of the Council of Ministers, for example, Nordforsk fosters Nordic

research cooperation, the Nordic Centre for Spatial Development, Nordic Energy Research, the Nordic Innovation Centre, and various cultural institutions.

HISTORY AND MISSIONS

Nordic cooperation takes place in many various fields of public administration. Cultural issues, education, and research, however, are central since these topics form important elements of a common Nordic identity in terms of language, culture, and values.¹² Also, the protection of the environment has traditionally been a focus of all Nordic countries. Institutionalized Nordic cooperation had its greatest successes already shortly after the Nordic Council's foundation in the 1950s. The most prominent achievements of that time were the establishment of a common Nordic labor market and a passport union. What is special about Nordic cooperation is that the activities and projects implemented within this framework are not particularly spectacular, and therefore are often underestimated or even not recognized by the public. Nonetheless, they are close to the people and bear some considerable relevance for them. Nordic cooperation was particularly good in coordinating legislation, policies, citizens and consumer rights, as well as political structures among the countries in various issue areas.¹³ The most outstanding achievements of Nordic cooperation include harmonizing legislation, facilitating freedom of movement, and establishing cooperative bodies to facilitate a dense network of cooperation in the fields of culture, education, science, labor mobility, agriculture, fisheries, and forestry.¹⁴ Indeed, in policy areas such as environment, energy, consumer protection, technology, and regional development, the Nordic cooperation structures have also developed fairly advanced capabilities for problem solving.¹⁵

Economic, foreign, and security policies were excluded from formal institutionalized cooperation due to Cold War restrictions, diverging economic and military interests, different geopolitical

11 Since a structural reform in 2006, the ten ministerial councils are culture; gender equality; justice; education and research; labor market; business, energy, and regional policies; health and social services; finance and economics; environment; fisheries, agriculture, forestry, and food.

12 Nordic Council of Ministers, "Plandokument och budget 1999," 1998, p. 2.

13 Alastair H. Thomas, "The Concept of the Nordic Region and the Parameters of Nordic Cooperation," in *The European Union and the Nordic Countries*, edited by Lee Miles (London: Routledge, 1996), pp. 15–31, see p. 27.

14 Ibid.

15 Schumacher, "The Emergence of the New Nordic Co-operation," p. 15.

situations, and the different statuses of the five countries in international and European cooperation. Attempts to include these past exclusions into the formal cooperation institutions have failed (e.g., Nordic Economic Cooperation and Nordic Defence Union). These issues have, however, been taken up in more informal settings. The end of the Cold War opened new possibilities for cooperation, enabling the Nordic institutions in particular to widen their scope to policy areas that formerly had been excluded from formal cooperation agreements.

The Nordic Council was established without any international treaty basis. Its inauguration was only endorsed by the national parliaments.¹⁶ In the 1960s, Nordic cooperation came under pressure when the United Kingdom, Denmark, and Norway started to seek closer relations and eventual membership with the European Economic Community (EEC).¹⁷ To avoid becoming meaningless should any of its members join the EEC, proposals were made to establish a binding international agreement underlining the main goals of Nordic cooperation and outlining future development.¹⁸ As a result, the Council approved and signed the *Treaty of Co-operation between Denmark, Finland, Iceland, Norway and Sweden* (the Helsinki Treaty) in Helsinki on March 23, 1962. The adoption of the treaty was regarded as “a milestone in Nordic cooperation.”¹⁹ Despite its general and nonobligatory character, the treaty clarified what Nordic cooperation incorporates and what its main objectives are. It was subsequently amended in 1971 and 1993.

Overall, the history of institutionalized Nordic cooperation has been characterized by numerous external challenges and an immense pressure to change and adapt, mainly caused by wider European developments. Nordic cooperation proceeded in a pattern of action and reaction:

“ambitious schemes have been planned, have failed and in their wake many lesser schemes have been implemented which add further strands to the web of integration.”²⁰ In addition, Nordic cooperation has always been in constant competition with other forms of international cooperation.²¹

For example, the external conditions and circumstances for Nordic cooperation and its institutions changed fundamentally by the early 1990s after the end of the Cold War, dissolution of the Soviet Union, and the independence of the Baltic states in 1991. Finland and Sweden joined the EU in 1995, while Norway and Iceland stayed out but committed themselves to the newly established European Economic Area (EEA) in 1994. In the light of these changing conditions, doubts about the future political relevance of institutionalized Nordic cooperation arose since much of the previous cooperation arrangements could now be conducted within an EU format. Consequently, the alternatives were either to reform Nordic cooperation or allow it to become redundant.²² The answer was reform through transformed working structures, policies, and priorities, for example opening up to the Norden’s adjacent areas (see sections below on “Relations to the Broader International System” and “The Question of New Membership and Future Missions”). Nordic cooperation was required to adapt to “the needs of the changing external environment.”²³ Despite doubts, negativism, and demands to close the Nordic Council and the Council of Ministers, there was a widespread notion that Nordic cooperation still had a place within the new international system.²⁴ It seemed that the traditional ties among the Nordic countries as well as the traditions of cooperation were sufficiently strong and established to allow survival of the Nordic institutions despite the significant external changes and alterations of the countries’ national interests.

16 Laursen and Olesen, “A Nordic Alternative to Europe,” p. 24.

17 Ibid. and Frans Wendt, *Cooperation in the Nordic Countries: Achievements and Obstacles* (Stockholm: Almqvist and Wiksell International, 1981), p. 39.

18 Wendt, *Cooperation in the Nordic Countries*, p. 39.

19 Gerhardsen quoted in *ibid.*

20 Thomas, “The Concept of the Nordic Region and the Parameters of Nordic Cooperation,” p. 16.

21 Olsen and Sverdrup, “Europa i Norden,” p. 33.

22 Pär Stenbäck, “Introductory Remarks: The European Shift in Nordic Co-operation” and “The Nordic Community and Nordic Co-operation in Light of the Development of European Integration,” in *The Nordic Countries and the New Europe*, TemaNord 1997: 553, edited by Pär Stenbäck (Copenhagen: Nordic Council of Ministers, 1997), pp. 7–10 and pp. 105–114, see p. 7.

23 Ibid.

24 See, for example, Erik Bagerstam, “Nordiskt samarbete får vara onyttigt,” in *Nordisk Kontakt* (Nordiska rådet: Stockholm, 1995), pp. 11–12.

The Nordic Councils in 2013

CURRENT PRACTICAL AND GEOPOLITICAL SIGNIFICANCE AND LIMITATIONS

Paradoxically, although many expected the 2004 EU enlargement to be a major threat for Nordic multilateral institutions, it has provided Nordic cooperation with a new impetus. Generally, after enlargement, regional cooperation and the role of so-called “macro-regions” within a much larger EU of twenty-eight member states became more relevant, offering fresh chances and opportunities for EU member states of one region to cooperate more closely in certain policy areas, in which EU-wide cooperation, involving all twenty-eight member states, is cumbersome.

After having lost some of its relevance and impact during the 1990s and early 2000s, Nordic cooperation and policy debates among Nordic countries began to be fairly lively again. It seems that Nordic regionalism has returned to the political agenda of the Nordic countries, even becoming a focal point and increasingly attracting the interest of their prime ministers.²⁵ While recent calls for shaping a Nordic Union, covering all five Nordic states, are fairly unrealistic, they seem to have triggered a fresh debate on the future relevance and the capabilities of Nordic cooperation, reminding people and decision makers of its benefits.

This revival of Nordic multilateralism is in particular due to the ongoing European economic and sovereign debt crises. As a consequence of the crises, traditional power structures and relations are in flux, and governments and parliaments are uncertain about the future of the EU and the European integration process and therefore seek out alternative forms of cooperation. Since the EU is in turmoil itself, regional cooperation within the Nordic framework could become more and more valuable. On top of that, the politically and economically stable and prosperous Nordic countries could contribute through their regional cooperation to the stabilization of the European integration process. Since the Nordic countries

have found tangible solutions for some current and future challenges—due in large part to their cooperation—they could set an example for other European countries, helping them to solve their current problems.²⁶

Thus, over the past few years, Nordic cooperation has regained strength and impact and redefined its position within the wider landscape of (regional) cooperation in Europe (see below). Despite some inertia and occasional reluctance and resistance to reform, both the Nordic Council and the Nordic Council of Ministers have managed relatively well—in particular in comparison to other international and regional organizations—to adapt to new external circumstances, and to find niches in the wider institutional system of Northern Europe. Nonetheless, considering the current challenges for general regional cooperation as well as those for the EU, the search for new legitimacy and the need to adapt to external changes and to reform will continue.

The significance of regional organizations such as the Nordic Council and the Nordic Council of Ministers is mainly parochial. However, even beyond the Nordic region, the institutions of Nordic cooperation have gained a certain significance. They often are regarded as showcases and role models for regional cooperation—both in other European regions as well as beyond. Sometimes it seems that Nordic cooperation is more highly regarded abroad than within the region itself.

Certainly, despite various strengths and advantages Nordic cooperation and their institutions in particular know their limitations. An intergovernmental, consensus-based organization such as the Council of Ministers can usually do no more than what its member states jointly allow it to do. The legal powers of the Nordic institutions are limited. There is no supranational element to Nordic cooperation. This forms a limitation to the effectiveness and the scope of the Council of Ministers. The Nordic Council lacks real power in relation to the Council of Ministers and the Nordic countries’ governments, in particular since its decisions are legally nonbinding. Until a couple of

25 Johan Strang, *Nordiska Gemenskaper—En Vision för samarbetet* (Copenhagen: Norden 2012), p. 17.

26 Dagfinn Høybråten, “Nordens plass i Europa,” Nordic Cooperation, August 8, 2013, available at www.norden.org/sv/nordiska-ministerraadet/generalsekreteraren/generalsekreterarens-blogg/nordens-plass-i-europa.

years ago, Nordic cooperation was strongly undervalued particularly by many Nordic politicians owing to different political priorities, a limited knowledge of its institutions and work, and their traditional desire to preserve the Nordic welfare state. However, as stated above, this seemed to have changed in the course of the current European crises.

AREAS OF ENGAGEMENT

Turning to the policy areas and the more practical and concrete activities, as already briefly mentioned above, the Nordic Council and the Nordic Council of Ministers are active in almost every major area of public administration. A number of priorities have developed throughout the years that have been adjusted to current needs and challenges on a regular basis.

Preserving the so-called Nordic model of the modern welfare state and achieving similar standards in this respect in all Nordic countries by means of joint action and coordination of welfare state policies have always been important goals of Nordic cooperation. The recent Norwegian (2012) and Swedish (2013) Nordic Council of Ministers presidencies have put the adaptation of the welfare state and its sustainability to the very forefront of their working programs. Preserving the core of the national welfare states despite necessary consolidation and austerity measures has been perceived as an urgent task for politics in the context of the current European economic and fiscal crises that have also affected the Nordic countries, though to a smaller extent than in particular southern European countries.

The environment also remains an important issue in regional cooperation. The Nordic countries have recently published a joint strategy paper for green growth and sustainable development. The paper states the intention to develop green growth into a key priority for Nordic cooperation in the

near future.²⁷ The strategy provides some useful ground for closer cooperation in the fields of the economy, environment, and energy.

The concept of green growth in the Nordic region is based on the idea of jointly utilizing each country's strengths in specific policy areas such as energy efficiency, sustainable/renewable energy, environmental awareness, as well as investments in innovation and research.²⁸ In order to link these issues with each other and to put related efforts on a scientific basis, the Nordic Council of Ministers has established a so-called "top-research initiative," focusing on climate, energy, and the environment. This initiative forms one of the biggest and most ambitious schemes for research and innovation and has found considerable attention outside the Nordic region.²⁹ The general political rationale behind the Nordic green growth concept is that when "working together in these areas, the Nordic region will carry more weight, earn a bigger market share and make more of a political impact at [the] international level."³⁰

From the late 2000s onwards, globalization and its effects have turned into an important field of activity for Nordic multilateralism. In 2007, the five Nordic prime ministers agreed on a long-term globalization program, which includes fourteen initiatives. The intention of the program was to develop the Nordic welfare model further and to increase competitive power through strengthening Nordic cooperation and through sharpening the profile of Norden as a vanguard region.³¹ The Nordic region should become more competent (through enhanced cooperation in innovation, education, and research) and more visible and prosperous (through enhanced cooperation in the energy sector, emissions reduction, and the reduction of border obstacles).³²

Preventing and abolishing border obstacles remains a high priority of Nordic cooperation at present and will be so into the future. Border

27 Nordic Council of Ministers, "The Nordic Region—Leading in Green Growth," Green Growth Initiative of the Nordic Prime Ministers, 2012, p. 1, available at www.norden.org/sv/publikationer/publikationer/2012-767.

28 Ibid.

29 Norwegian Presidency of the Nordic Council of Ministers, "Velferdsstaten i et Nordisk perspektiv—Norsk formannskapsprogram i Nordisk ministerråd 2012," Nordic Council of Ministers, ANP 2011: 723, 2011, p. 22.

30 Nordic Council of Ministers, "The Nordic Region—Leading in Green Growth," p. 1.

31 Nordic Council of Ministers, "Nordiskt samarbete om globalisering," September 16, 2008, available at www.norden.org/sv/samarbetsomraaden/globalisering/nordiskt-samarbete-om-globalisering.

32 Government of Finland, "De Nordiska statsministrarna i Punkaharju för ett kunnigare, synligare och mer välmående Norden: Möjligheternas Norden—svar på globaliseringens utmaningar," Pressmeddelande 183/2007, Statsrådets kommunikationsenhet, June 19, 2007, available at www.vn.fi/ajankohtaista/tiedotteet/tiedote/sv.jsp?oid=198735.

obstacles are experienced by, for instance, citizens of the Nordic countries when moving from one Nordic country to another and by companies that operate on both sides of the Nordic countries' common borders. Border obstacles are hidden in differences with regard to education (e.g., no recognition of school marks in the other countries), social policies, customs, and tax systems that are completely unnecessary and a burden to those that have moved or are about to move from one country to another in the region.³³ Over the years, it has been one of the most prominent objectives of Nordic cooperation to make life easier for Nordic citizens living in the region but outside of their country of birth.³⁴ Efforts to eliminate such obstacles never end, as new ones emerge or are created frequently, for example through new EU regulations. Especially, when the Nordic EU and EEA members do not implement EU directives in the same way, they might risk creating new border obstacles that are difficult for citizens to understand and accept.³⁵ Such developments could undermine and restrict intra-Nordic mobility and Nordic cooperation. To prevent such a situation remains an important objective of Nordic cooperation; new border obstacles should not replace those that have just been removed.

Foreign, security, and defence policies that, as indicated above, have traditionally been widely excluded from the official Nordic cooperation due to Cold War restrictions, have been allocated increasing relevance in Nordic cooperation in recent years. The so-called "Stoltenberg Report," issued by the former Norwegian minister of foreign affairs, Thorvald Stoltenberg, in 2009, has paved the way for closer cooperation among Nordic governments, for example in the form of a joint Nordic contribution to military air surveillance over Iceland or an effective division of labor among Nordic troops participating in international missions. However, tangible cooperation in this area is only in the process of being established. Currently, the cooperation materializes mainly in contacts among the ministries of foreign affairs as well as defense of the Nordic countries, while a

clearly defined role in this for the Nordic Council and the Council of Ministers in this field of cooperation is still lacking.

RELATIONS TO THE BROADER INTERNATIONAL SYSTEM

Throughout its history, Nordic cooperation has naturally focussed on the Nordic area and intra-Nordic relations, and it continues to do so. Nonetheless, Nordic cooperation has opened up and became more internationally- and European-minded since the 1990s. Dealing with the Nordic region's adjacent areas, in particular the Baltic Sea Region and the Baltic countries of Estonia, Latvia, and Lithuania has also become a high priority. There are numerous relations and links to other major international, European, and regional organizations. The Nordic Council and Nordic Council of Ministers play an important role in the wider system of regional cooperation in Northern Europe, including the Barents, the Arctic, and the Baltic Seas. They have developed their own Nordic policies toward these regions. The Nordic Council cooperates closely with other regional and subregional parliamentary arrangements such as the Baltic Assembly (consisting of delegates from the national parliaments of the three Baltic countries) and the Baltic Sea Parliamentary Conference (BSPC). The Nordic Council of Ministers has active working relations with regional organizations such as the Council of the Baltic Sea States (CBSS), the Baltic Council of Ministers, the Barents Euro Arctic Council (BEAC), and the Arctic Council (AC), running joint projects and working programs. Joint activities have occasionally been funded by the Nordic Council of Ministers that unlike many other regional organizations has a fairly generous budget at its disposal that not only covers organizational and overhead costs but can also be exploited for project activities.

Also the cooperation between the Nordic Council of Ministers and the EU has tightened. It plays, for example, a strong role in the implementation of the Northern Dimension (ND) of the EU,

33 Interestingly, while several European countries share one currency (the Euro), the Nordic countries still have five currencies despite the fact that they cooperate so closely in many areas. See Ole Norrback, "Nordiskt samarbete blir ännu viktigare nu," in *50 år. Nordisk Råd 1952–2002. Til Nordisk nytte?*, edited by Nordisk Råd, København, ANP 2002: 735, 2002, pp. 231–239, p. 237.

34 For example, by means of the service and advice phone line "Hallå Norden."

35 Bertel Haarder, "Kronik af Bertel Haarder i Kristeligt Dagblad: Nordiske fingertryk på Europa og verden," January 22, 2010, available at www.norden.org/sv/aktuellt/artiklar/kronik-af-bertel-haarder-i-kristeligt-dagblad-nordiske-fingertryk-paa-europa-og-verden/.

Russia, Norway, and Iceland, focusing on the environment, energy, public health, and social affairs as well as infrastructure and transport in particular in relation to Northwest Russia. Further, in 2009 the European Council established the EU Strategy for the Baltic Sea Region (EUSBSR). The latter intends to enhance regional cooperation in various policy areas, focusing on the environment, increasing prosperity and accessibility in the Baltic Sea Region within an EU context, and rendering regional activities more coherent, effective, and efficient. The Nordic Council of Ministers was involved in the elaboration and implementation of the EUSBSR from its start, attempting to contribute with its expertise and experience to the strategy's success, mainly in the fields of research, innovation, and energy.

In addition to the aforementioned joint regional activities, the Nordic Council of Ministers contributes to various EU policies and strives to coordinate Nordic positions on EU-related issues. Such activities include projects with EU funds, direct EU involvement, or the coordination of the implementation of EU directives, for example in relation to the environment as well as labor market-, environment-, and rights-related questions.³⁶ Since 1995, all ministerial councils and committees have EU-related issues on their agenda.³⁷ However, they deal with them unsystematically, in different forms and to different extents.³⁸ There is no systematic and unified way within the Nordic Council of Ministers to deal with EU-related issues. Overall, the intention has never been to establish a Nordic bloc³⁹ within the EU but rather to strive for closer cooperation wherever possible and feasible.⁴⁰ It has to be taken into account that

the interests of the individual Nordic countries within the EU are in part quite different, rendering comprehensive coordination of EU policies in all policy areas not feasible. Therefore, as a general rule, Nordic cooperation cannot and should not replace EU cooperation but could rather supplement it.⁴¹

Also the Nordic Council has increasingly discussed measures to be linked more closely to the EU, to take EU-related issues on board more systematically and to cooperate more closely and more effectively in and with the EU. One such measure could be to establish a Nordic Council EU committee that would coordinate the Nordic Council's EU-related activities in cooperation with the Nordic parliaments' EU committees. Such measures, however, have not materialized so far.⁴² Also an early-warning system has been suggested: once the European Commission has issued white or green books on issues bearing any relevance for the Nordic countries, the Nordic Council should systematically deal with these in order to be able to influence the results.⁴³ Monitoring the implementation of EU legislation in a similar way in all Nordic countries would be the next consequent step.⁴⁴

Overall, the process of linking Nordic cooperation closer to the EU and taking up EU issues more systematically is cumbersome. Any related efforts are usually met with considerable resistance by those that are not particularly interested in major changes. Nonetheless, in the near future a proactive common Nordic EU policy is desirable from a Nordic perspective, jointly driving forward issues that are close to the heart of the Nordic countries within an EU context.⁴⁵ That way, in particular in regard to specific policy areas such as environment,

36 Nordic Council of Ministers, *Program for Nordisk Ministerråds samarbejde på Arbejdsmarkeds- og arbejdsmiljøområdet 2005–2008*, TemaNord 2005:521, (Nordisk Ministerråd: København, 2005), p. 19, available at www.norden.org/sv/publikationer/publikationer/2005-521/at_download/publicationfile.

37 Nordic Council of Ministers, "Samarbejdsministrenes beslutning EU / EØS," MR-SAM meeting, Uppsala, June 26 1996, available at www.norden.org/sv/om-samarbetet/avtal/avtal/andra-multilaterala-oeverenskommelser/samarbejdsministrenes-beslutning-eu-eos and Tom Schumacher, *Die nordische Allianz in der Europäischen Union* (Opladen: Leske + Budrich, 2000), pp. 223.

38 Stellan Ottosson, "Nordiska Ministerrådet—fortsättning på reformen," Rapport 2008-12-02, Regeringskansliet, Utrikesdepartementet, 2008, p. 26, available at www.norden.org/da/publikationer/publikationer/2008-428/at_download/publicationfile.

39 The Nordic countries are too small and too different to act as a Nordic block (Michiel Maertens, "Norden in der EU: Jeder kämpft für sich allein," in *Nordeuropaforum—Zeitschrift für Politik, Wirtschaft und Kultur*, No. 1, edited by Bernd Henningsen (Baden-Baden: Nomos, 1997), p. 43. Also, not all EU-related topics are suited to be considered on a Nordic level (Schumacher, *Die nordische Allianz in der Europäischen Union*, p. 225).

40 Schumacher, *Die nordische Allianz in der Europäischen Union*, pp. 225–226. A common Nordic appearance in the EU is not identical with forming a Nordic block but rather sends a message that one esteems the European element within all fields of Nordic cooperation (Connie Hedegaard, "Redegørelse af 6/10 2005 om det nordiske samarbejde," Redegørelse nr. R 2, 2005, p. 12, available at www.ft.dk/samling/20051/redegoerelse/r2/209792.pdf).

41 Cristina Husmark Pehrsson, "Framgångsrikt samarbete i Norden—och i EU," speech of the Swedish Minister for Social Affairs and Nordic Cooperation at the Nordic Association and ABF Stockholm seminar "Norden—i och för Europa," March 7, 2008, available at www.regeringen.se/sb/d/10181/a/100290.

42 Jutila and Tikka, "Skilda vägar?" p. 46.

43 Swedish Delegation to the Nordic Council, *Medlemsförslag om nordisk granskning av EU's grön- och vitböcker*, A1438/presidiet, 2008, p. 1.

44 Strang, *Nordiska Gemenskaper*, p. 9.

45 Ibid.

energy, and a green economy, the Nordic voice within the EU could become stronger and more influential. Further clarification of the relations between Nordic and EU cooperation is required in order to render such endeavors as effectively and efficiently as possible.

Looking Forward

THE QUESTION OF NEW MEMBERSHIP AND FUTURE MISSIONS

The possibility of allowing new member states into the Nordic councils is a recurring question. In the early 1990s, the three Baltic states expressed their interest. However, expanding membership has never seriously been considered by the Nordic institutions' stakeholders. Membership in the Nordic councils has always been reserved to the Nordic countries with common cultural, historical, and linguistic links that countries outside the Nordic region do not share. Despite feeling close to the Baltic countries and being willing to cooperate with them and support them in their statebuilding and economic recovery phase after regaining independence in 1991, from a Nordic point of view they would not have entirely fit into their formal cooperation structures as they literally would not speak the same language.⁴⁶ Unlike many other international and regional organizations, the Nordic councils do not even offer an observer status to interested parties (nations or international entities). Occasionally, the Nordic institutions have been criticized for not expanding their membership and keeping the cooperation merely among themselves. Because of this, some stakeholders were even doubtful about the Nordic councils' general ability to adapt to new circumstances.

Nonetheless, the Nordic councils opened up to the adjacent countries and regions from the early 1990s onwards. The official Nordic line was to establish alternative forms of rather informal cooperation among the Nordic and Baltic countries (Nordic-Baltic 8 and 3+3 within an EU context) without establishing Nordic-Baltic institutions and to encourage the latter to establish their own

institutionalized cooperation. Following the examples of the Nordic councils, the Baltic countries indeed established the Baltic Assembly as well as the Baltic Council of Ministers in the early 1990s. After joining the EU in 2004, several politicians in the Baltic countries reiterated their wish to join the Nordic councils also in order to strengthen Baltic-Nordic ties within an EU context, but a serious debate on this issue has never developed.

It is unlikely that the Nordic councils would expand their membership at this time. An expanded membership would not help to increase the Councils' relevance or effectiveness. However, stronger cooperation and coordination with the Norden's adjacent countries, regions, and subregions as well as other international organizations, including the EU, is in the interest of the Nordic countries. Therefore such links are being actively pursued.

As indicated above, changes in the external environment of Nordic cooperation have occurred regularly and frequently, requiring changes in the missions of the Nordic councils. Major changes in the Councils' missions have been implemented throughout the 1990s. In more recent years, the new elements that consequently became important ingredients of Nordic cooperation have incrementally been added to the overall scope of activities: for example, joint activities concerning the challenges of globalization; climate change, green growth, and economy; acquiring a stronger role in the European context and in regional activities of the EU; contributing to solving the EU's current economic problems while sharing Nordic experiences and best practices; tackling the demographic challenges in Northern Europe and beyond; strengthening the competitiveness of the Nordic countries in a globalized world; and tackling growing (youth) unemployment that even affects the Nordic countries. As recent Nordic initiatives that have been taken in reaction to new regional, European, and international developments and challenges have proven, the Nordic councils have a certain potential to adapt their missions, policies, and project-based activities to new challenges and

⁴⁶ However, Finnish and Icelandic are quite different compared to the three Scandinavian languages (Danish, Norwegian, and Swedish). This sometimes forms a problem in Nordic cooperation where "Scandinavian" is the working language. Nonetheless, the cultural and the historic links among Finland, Iceland, and Scandinavia are stronger than those between the Nordic countries and the Baltic states (perhaps with the exception of Estonia). Since there is a Swedish minority in Finland, and Swedish is the second official language, there also is a linguistic link between Finland and Scandinavia. Icelandic is close to the original language from which the Scandinavian languages derive, and many Icelanders speak a Scandinavian language.

needs.

In the near future, new major changes in the missions of the Nordic councils are unlikely. This would have been different, if Iceland had joined the EU, which currently seems to be very unlikely. Four out of five Nordic countries being members of the EU would have put some pressure on the fifth country, Norway, to rethink its position toward EU membership due to a possible isolation within the Nordic region and would have urged Nordic cooperation repeatedly to reconsider its tasks and missions. Although this is not a very realistic scenario at the moment and therefore another major overhaul is not necessarily required, adjustments of tasks and including new activities in reaction to current challenges are vital in order to maintain the political and practical relevance of regional organizations such as the Nordic Council and the Nordic Council of Ministers.

FACTORS AFFECTING FUTURE INFLUENCE AND EFFECTIVENESS

Unlike other regional organizations that merely depend on their member states' interest, the Nordic cooperation structures benefit from a fairly stable anchoring and support in Nordic societies, strong traditions, and a fairly influential bureaucracy and leadership. Therefore, even if the Nordic countries' governments and parliaments would want to, it would not be easy to eradicate institutionalized Nordic cooperation. To some extent, Nordic cooperation is even based on an old notion of a common identity and common values and contributed to their construction and reconstruction. Thus, unlike the primarily interest-based and pragmatic intergovernmental Baltic Sea cooperation, Nordic cooperation is a hybrid of calculated interest-based and identity-based partnerships.⁴⁷ This characteristic makes Nordic cooperation special and forms one of its strengths. It should therefore be actively preserved so that Nordic cooperation can remain attractive to governments, parliaments, and civil societies.

Currently, Nordic cooperation also profits from the fact that internationally-minded, Europe-oriented, and pragmatic governments reside in all five Nordic capitals, and these aspects lead to

advantages of different forms of international and regional cooperation.

Since both the Nordic Council and the Nordic Council of Ministers are important parts of the wider institutional network in Northern Europe, it will remain important to further adapt to the wider institutional system by offering specific contributions to regional cooperation in Northern Europe and by developing efficient cooperation with the EU and other actors. With its expertise, experience, and financial and human resources, the Council of Ministers is in a good position to contribute to the creation of a coherent system of regional cooperation in Northern Europe and the Baltic Sea region. Vice versa, developments within the wider regional and European system will continue to affect the future relevance of the Nordic councils and the overall demand in regional arrangements.

While the Nordic councils have implemented several reforms over the past twenty years, their reform process continues as new external changes and challenges occur that are affecting those organizations. In autumn 2011, the Nordic Council decided on further changes concerning its working structures (for example, organizing two annual sessions) and on enhancing its external relations. The Nordic Council strives to strengthen its ties with the national parliaments and with the EU, in particular the European Parliament, and to consider EU-relevant issues on a more structural and permanent basis. Although this has been discussed for some time and proposals have been made, concrete action is still to follow. Effective, institutionalized, and systematic intra-Nordic coordination of EU-related issues seems increasingly important as outlined above. By elaborating on those measures, the Nordic Council reacted to criticism that it was acting too slowly in the past and that its work and the debates on Nordic cooperation were only insufficiently anchored within the national parliaments. The future impact, relevance, and effectiveness of the Nordic Council and the Nordic Council of Ministers will to an important extent depend on the ability and the potential to continuously react and adapt to new external challenges and circumstances.

⁴⁷ Johan P. Olsen, "Skiftende politiske fellesskap," in *Europa i Norden. Europeisering av nordisk samarbeid*, edited by Johan P. Olsen and Bjørn Otto Sverdrup (Oslo: Tano Aschehoug, 1998), p. 363.

Abstaining from the consensus principle and moving toward majority decision making in the Nordic Council of Ministers could provide a fresh impetus to cooperation. Such a move could make the decision-making process more effective, expedient, obligatory, and legitimate. However, the question of whether to abolish the consensus principle has been discussed for a long time without reaching an agreement. Some regard it increasingly as a hindrance and praise the advantages of abolishing it. Others fear losing a specific characteristic of Nordic cooperation, distinguishing it from the cooperation within, for example, the EU. They argue that abolishing consensus decision making would change Nordic cooperation and not necessarily in a positive sense. Indeed the argument that a few likeminded countries should be able to find a consensus in order to make their cooperation function effectively cannot be dismissed completely.

Overall, an important way to maintain influence and effectiveness is to render Nordic cooperation more political. This would imply a more prominent place for politicians and political debate. There is a certain perceived misbalance between the two main institutions of Nordic cooperation. The Nordic Council of Ministers is often criticized for the civil servants dominating the work and the decision-making process, making them rather bureaucratic and technical, while the Nordic Council, once regarded as the place for political debate, has lost impact and relevance. Increasing the weight of the Nordic Council could be a way to emphasize the political side of Nordic cooperation. The Nordic Council should act as a driving force and policy-maker and set the guidelines and the agenda of Nordic cooperation, while the Nordic Council of Ministers then would act as the operative body, implementing policies and reporting back to the Nordic Council concerning their implementation.⁴⁸ Also, the whole concept of Nordic cooperation should be anchored more firmly within the Nordic societies by involving civil society more actively in the cooperation and by explaining better the benefits of Nordic cooperation for them.

Recommendations: Strengthening the Roles of the Nordic Councils

In order to remain effective and attractive to their stakeholders, Nordic multilateral cooperation needs to keep adapting to new international changes and challenges. Overall, it will be particularly important to decide on and implement concrete reform measures—e.g., changing organizational structures, fostering closer relations to EU and related organizational measures, and changing from consensus to majority voting—faster than in the past. The consensus issue, for example, has been discussed since 2007 without coming to an agreement so far.

Nordic cooperation will also have to strengthen its links to other regional and European forms of cooperation. Nordic cooperation has an impressive potential to play an important role within the wider system of regional and European cooperation and to contribute to enhancing a smart and effective division of labor in a coherent system of wider regional cooperation in Northern Europe.

Furthermore, the Nordic councils should develop proactive EU policies, identifying issues that could be driven jointly by the Nordic countries within the EU due to common interests, objectives, and values. Within that context, the Nordic Council should elaborate a system of monitoring implementation of EU directives in all Nordic countries in a similar way.

In case the Nordic countries want closer cooperation in foreign and security affairs, and there have been efforts toward this end as pointed out above, the Nordic Council and the Nordic Council of Ministers should be involved actively and equally. The current, mainly informal cooperation among governments in these fields should become more formal and institutionalized to increase legitimacy and visibility. Generally, the added value of foreign and security policy-related Nordic cooperation needs to be clarified since various cooperation arrangements already exist (for example, NATO

48 Claes Wiklund, "NT-Intervjun: Fokusering och Relevans - Två Nyckelord för NR-Direktören Enestam," in *Nordisk Tidskrift*, 4/2007, p. 389.

and the EU's Common Foreign and Security Policy).

The Nordic Council of Minister's green growth strategy could serve as a starting point for more common action emphasizing joint Nordic strengths and values in important policy areas such as environmentally sensitive economic growth, sustainable energy, and sustainable welfare state systems that will bear high political relevance in the future.

To further improve Nordic cooperation mechanisms, the interaction, debate, and cooperation between the Nordic Council and the Nordic Council of Ministers needs to be strengthened.⁴⁹ They also have to become clearer, more balanced, and more effective and efficient by including a clear division of roles and tasks.

On the whole, Nordic cooperation has the potential to complement efforts at the substate, national, and European levels.⁵⁰ However, to be effectively used, its role needs to become clearer and better defined in relation to each level. Cecilia Malmström's assessment conducted in 2007 is still

valid in 2013. In this context, Nordic cooperation might also want to focus on fewer issue areas since its scope of activity is often perceived as too broad with no clear and visible results. At the same time, as outlined above, cooperation should become more obligatory and legitimate by introducing the principle of majority voting; and more political by allocating more space for political debate and reinforcing the role of the parliamentary Nordic Council, as well as more legally binding.

By becoming more effective and utilizing its strengths more efficiently, Nordic cooperation could develop into an even more important part of wider European and international cooperation, and in this way it could make a significant contribution to bringing Europe back to a path of sustainable economic growth. In sum, over the past few years, Nordic cooperation has regained strength and impact and redefined its position within the wider landscape of cooperation in the region and more broadly in Europe. In order to keep this up, the search for new legitimacy and the need to adapt to external changes will have to continue.

49 Ottosson, "Nordiska Ministerrådet," p. 55.

50 Cecilia Malmström, "Sverige—Norden—EU—ett framtidsperspektiv," Speech at the Nordic Association, Göteborg, Sweden, May 10, 2007, p. 2, available at www.regeringen.se/sb/d/3214/a/82096.

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