

Alternatives to the EU – are there any?

A Scandinavian perspective

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Why react on the present EU situation?

Financial crisis – the end of the Euro?

- Hardly not, at least not in the short term
- The Euro is a very important symbol for Brussels; a return to national currencies would have devastating effects on the EU

But:

- The Euro has shown not to be a "Growth Engine"
- The Euro area is not homogenous
- The world can change rapidly (for instance the Soviet Union collapsed fast and unexpectedly)

More EU member states means less Swedish influence

- Today's Swedish voting strength of 2% in the EU parliament will decrease when further countries join
- Communication between Scandinavian EU politicians and the people is today on an embarrassingly low level (and has in Sweden been so since joining EU in 1995)
- Low participation in EU-parliament elections in Sweden (less than 50% in 2009)

Continued power transfer to Brussels/Strasbourg

- Lisbon treaty contains several federal issues (common President, Foreign Secretary, Armed Forces etc)

And ...

- A large part of the "Energy against EU" today goes to criticizing it, not to debating alternatives

Globalization: Asia – US – EU

According to EU-commission report “The world in 2025” (published 2009):

- ... the share of Asia would in 2025 reach more than 30% of the world GDP and would surpass that of the EU, estimated at slightly more than 20%
- The US-EU-Japan triad will no longer dominate the world, even if the US preserves their leadership. A more balanced distribution will take shape
- Asia catches up with (and overtakes) the US and EU in the area of research
- ... in 2025, the US and EU will have lost their scientific and technological supremacy for the benefit of Asia...”
- ... the EU is behind the US in the new and emerging fields (in particular information technology and biotechnologies) although strong regional differences exist in EU

Major challenges the Scandinavian countries are facing in a globalized economy:

1. How to cooperate in a democratic way with other countries in a globalized world
2. How to keep and further develop the Scandinavian prosperity

Politics move – whether we are members of the EU or not – towards Globalization. The Scandinavians have to participate, but in a "Scandinavian way". And it is not obvious how and with whom.

”Nordic” vs. ”Scandinavian” countries

The concepts "Nordic" and "Scandinavian" are often considered identical. "Nordic" however relates to the five countries Denmark, Finland, Iceland, Norway and Sweden. "Scandinavian" relates to the three countries Denmark, Norway and Sweden, although Iceland is generally considered Scandinavian also.

EU situation and policies of the countries differ. A unified Nordic attitude is highly desirable, but complications exist. For example:

- Denmark, Finland and Sweden are EU members, but Iceland and Norway are not
- Also Finland is an EMU member – i.e. is a Euro country – but the other four countries are not
- While the Nordic languages Danish, Norwegian and Swedish are mutually understandable, Finnish is not, and only a small minority of Finns is Swedish-speakers or really bi-lingual
- Icelandic also is not generally understandable by Scandinavians (but most Icelanders have a working knowledge in ”Scandinavian language”)
- Public opinion in Finland is probably more EU-oriented than in the other Nordic countries (though polls differ)

Although a common Nordic standpoint on EU should be the goal, a Scandinavian one is the only realistic starting-point at present.

Some characteristics of the Scandinavian countries

- Historically and culturally very tight bonds between the Scandinavian countries (including Iceland – part of Denmark until 1944)**
- Identical type of societies, with long-time well-established and continuous democracy**
- Also traditionally tight bonds with Anglo-Saxon world**
- Present and future cultural influence of Anglo-Saxon world very important**

Scandinavia in a global perspective

- The Scandinavian countries are small (19 million inhabitants together)
- The Scandinavian countries are flexible, with public debate consensus-minded
- Sweden in particular had several internationally leading industries (Asea, Volvo, Atlas Copco, Scania etc) with the world as their working field
- The Scandinavian way of "doing business" worldwide has been successful, also from a global point of view (with local production in several countries)
- Today Norway – together with the US – is one of the wealthiest countries in the world: \$ 53.477 per capita, Sweden \$ 36.603, Denmark \$ 35.961 (2007 figures, PPP); EU27 \$ 29.946 per capita

Global cooperation between countries

Regional cooperation as an alternative:

- Cultural affinity and shared values
- Sweden–Norway–Denmark (and also Iceland) forms a very homogenous region
- Differences between the Scandinavian countries so small that much deeper cooperation than today is possible, without any loss of National Identity (hardly any longer possible in the EU)

The Scandinavian countries could gain highly in more cooperation, for example:

- More closely in Education, Research and Development (R&D)
- Reestablishing border controls according to British or American standards, in the war against drugs and terrorism
- Re-launching a common Scandinavian "Krona" currency, as in the Scandinavian Monetary Union (1873 – 1914)
- Reestablishing and securing "Classic Scandinavian" labour politics, including "Collective Agreements" ("Kollektivavtal"), in the future on a common Scandinavian level
- With common Scandinavian politics, a new political Center-of-Gravity will arise in Scandinavia (mainly the "Skagerak area")

Scandinavia – the logical cooperation

- **Common cultural background: Languages, history, religion, education system etc. (Iceland also part of Scandinavia in these respects)**
- **Large parts of the societies almost identical**
- **Geographical neighbors (except for Iceland)**
- **Denmark and Norway are "Sea nations" with huge resources of oil, gas, fishery and maybe more. Iceland may also have large oil and gas resources. Swedish industry in particular has old international traditions**

Conclusions

- **Scandinavian relations with (mainly) the US, EU and Asia need to be balanced from a Scandinavian perspective**
- **The US will for several years remain the world's leading nation from a political, cultural and technological point of view**
- **There is a large risk with today's "EU-centering", where EU in itself is a region that is characterized by some cultural and demographic stagnation and lack of new ideas**
- **Scandinavia is heavily dependent on world trade**
- **Scandinavia should participate in the Globalization, but mainly through bilateral agreements with other countries/regions**
- **There is – last but not least – a strong support among the Scandinavians for closer regional cooperation (according to several opinion polls)**

Thank you for your attention!

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