THE FUTURE OF DEMOCRACY: THE NORDIC COUNTRIES IN THE YEAR 2020

LECTURE BY THE PRESIDENT OF ICELAND

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The lecture was delivered in Norwegian in a slightly abridged form from this version, which was formally presented at the conference.

Honoured representatives,
Dear Nordic friends:

The Nordic countries have achieved remarkable success in the development of democracy and human rights, and this form of government is so ingrained in our culture and society that on first impression it would seem completely superfluous to initiate a dialogue on the future of democracy in the Nordic countries and spend time predicting its status in the year 2020.

Haven't the Nordic countries outstripped other parts of the world in democratic government, and wouldn't it be more appropriate to direct our attention to the problems of democracy in countries that have recently adopted this form of government? Isn't the Nordic model a quality product and wouldn't it be better to safeguard its reputation internationally rather than to sew doubts in our minds about its excellence? Exporting democratic experience may be more in keeping with our identity than a critical study of whether our own house is in order. Furthermore, predicting the future is always a dubious undertaking, especially for people in positions of responsibility, because of how others love to look back afterwards and gloat over all that went awry.

But Icelanders have always been outspoken at respectable Nordic gatherings, ever since Snorri Sturluson put himself forward as the most capable to outline the history of the world for the people of Norway and trace the lineage of their kings all the way back to Odin, and composed the Edda for the guidance of other poets. We have always regarded our ancient parliament, the Althing, as a model for democratic and sovereign government, and felt it would really need to be Athens in the days of Plato and Socrates that could provide a parallel with the originality shown by the Icelandic settlers in shaping their form of government and judicial system.

It is therefore appropriate that our Nordic friends should have decided to meet here in Reykjavík for fertile discussions on Nordic democracy twenty years hence, and to take a critical look at the democratic order in our countries. Dubious as it may seem for a President to venture out onto such thin ice, a friend of mine from the university pointed out to me that almost thirty years ago, as a young professor, I wrote an article in *Scandinavian Political Studies* on the Icelandic power structure 1975-2000, a prediction which proved to be astonishingly

accurate. So it should be less of a problem now to describe Nordic democracy in the year 2020, since this period is five years shorter.

Some people might consider it a more immediate task to discuss what the Nordic countries can teach other nations, especially because of how long we have enjoyed democratic government with a lead over other parts of the world that is measured in decades and even centuries. In fact it is noticeable how difficult it has proved to put democracy on a firm footing in Europe, in particular in light of the widespread view that the evolution of Europe will be the main vehicle of change for the Nordic countries in the new century. I do not consider myself an old man, yet during the first years of my life there were only six democracies in Europe; all the rest of the continent was under dictatorships based on the ideologies of communism, nazism or fascism.

The 20th century was a time of great upheaval for European systems of government, costing tens of millions of peoples their lives or their freedom through terrible conflicts over forms of government and rule in the continent. The Southern European states were under military regimes for a long time after the end of World War II and Central and Eastern Europe have only known democracy for a decade. Europe is therefore perhaps not in an ideal position to dictate to the rest of the world about the best way to ensure democracy in the long term, but the Nordic countries, along with Britain and Switzerland, are still the part of Europe which can boast of solid democracy for the longest period. In this respect mainland Europe should look to the Nordic countries for its model, instead of considering itself the natural candidate to steer the course of events in the continent during the new century.

Democracy has evolved in the world in waves. The ideas put forward by British and French philosophers more than 200 years ago and the aims that the architects of the US constitution attempted to formalize have faced an uphill struggle all over the world and still do in many places. In the past three decades waves of democracy have risen in South America and Asia, as well as Europe, and increasing numbers of African states are now attempting to get their bearings on such a path. The 21st century is widely foreseen as the era of flourishing democracy: international movements will strengthen this form of government throughout the world, treaties and the will of the public will impose better restraint, and the information technology revolution will put more pressure on the powers-that-be to respect the fundamental rules of democracy and human rights.

We normally define democracy as the form of government which grants the public the right to chose a government for itself in regular and free elections: members of parliament, local councillors and in some

places also the president – while the media and non-governmental organizations ensure open dialogue on decisions and policies, and the individual has extensive and active rights in practice. A number of variations have evolved within this framework, but it is a common feature of the Nordic countries that parliamentary democracy has established itself with cooperation between organized political parties as the driving force, and governments have engaged in regular consultation with the main organizations representing the interests of wage earners and business.

This Nordic democratic model has proved very successful in comparison with the development elsewhere the world; we certainly have ample cause for self-congratulation to equip us for the future. A broad and deep-rooted consensus prevails here about democracy both as a form and a goal. The Nordic countries have succeeded well in implementing necessary reforms, for example creating equal rights for women to positions of leadership and responsibility in the main institutions of government and opening a dialogue on reforms of party political finances and measures which will contribute to greater transparency in public decision-making. But let us now take a good, critical look at ourselves, and ask with open minds what can be improved and what can be changed to ensure that democracy will keep pace with the transformation that lies ahead in many fields – in globalization, market developments, technological innovations – and with respect to new tasks and problems that the Nordic countries will need to tackle.

What actually lies ahead is that various democratic fundamentals which we have expected to remain solid and be taken for granted for the foreseeable future are now on the defensive, and the decades to come could prove decisive for them. I shall attempt here to shed light on several of the changes that will have an impact on the Nordic democratic model during the century that has now begun, and draw attention to problems that call for effective responses if our democracy is to adapt itself successfully to new conditions. On this occasion I shall focus on ten points which reflect changes, problems or challenges that we face.

Firstly, globalization and market deregulation have caused the scope of political control to contract and democratic decision-making therefore plays a smaller role. An ever growing number of factors affecting our daily lives, work, living standards, family affairs and opportunities for advancement and personal fulfilment are shaped by international trends, the interaction of market forces and activities of major corporations whose influence extends to many countries. The fields controlled by government institutions, parliament, local governments or central governments are proportionally smaller, and democratic power is now

rivalled by forces which are firmly rooted in globalization and the market. We are increasingly led to wonder how democracy can continue at such times to be an effective engine for change. What will happen to the will of the people, the essence of democracy, under such conditions? The fate of individuals and nations is increasingly determined by the management of global corporations rather than by the standpoints of democratically elected representatives in national assemblies.

For some time it has also been the accepted ideology that economic growth is strengthened by more market deregulation and greater freedom for companies to operate at global level. Politicians have therefore relinquished substantial degrees of power and thereby reduced the scope of the representative democracy in which we live. On a growing scale, politics revolve around creating favourable conditions for global capital and corporations, increasing the importance of the market and reducing the number of democratic decisions made about the public good.

Admittedly some scholars have pointed out the contradiction that, at the same time as globalization diminishes the influence of the national state on which our democracy is based, one of its consequences is to spread democratic ideas throughout the world and extend the individual's right of self-determination. However, politics in the fora of democratic institutions is confined to specific regions, countries and municipalities, while the influence of changes does not stop at national borders. Hence, democracy is subject to geographical restraints which curtail its potential for responding to the global influences that increasingly shape our lives.

Secondly, the evolution of the European Union and thereby the European Economic Area, together with growing international cooperation on security, the environment and other issues, has transferred part of the power that was formerly vested in the democratic institutions of nation states to European and supra-national institutions which are not tailored in the same way to the direct democratic power of the people, but are based instead on a system of delegation formulated on the basis of international cooperation.

We are all aware of the dialogue about the democratic problem of the European Union, the limited influence of the European Parliament, policy-making by bureaucrats in Brussels, and ministerial wrangling behind closed doors. The growing scope of the European Union and its impact on the economies and finances of member states create an increasing democratic deficit in European cooperation and no clear proposals for redressing it in the years to come are likely to win sufficient support. Europe's democratic deficit is also a Nordic one, by virtue of the Nordic states' membership of the European Union or European Economic Area. However, we are more accustomed to discussing this solely as a

European problem. In this way we make it more remote from us and avoid facing up to the change that has taken place in Nordic democratic systems with the growing transfer of decision-making to European institutions which are not as subject to democratic restraints as the traditional institutions of the Nordic nation states.

Likewise, international cooperation on security, within both the United Nations and NATO, and international treaties on the environment, human rights and other issues have served to impose further restrictions on decision-making by individual countries, limiting the extent of democratic power in individual fields by international treaties. Admittedly these restrictions on the power of national states serve noble causes and the future well-being of individuals and communities, but decisions are being transferred all the same on a growing scale from democratic institutions to international fora where the people and their elected representatives, organizations with vested interests and non-governmental organizations do not have such easy access to influence decision-making as within the democratic nation state.

It largely remains for us to untie this Gordian knot and resolve how the positive interaction of democratic power and European and international institutional evolution will be organized in the future. Since the Nordic countries are and will remain active participants in European cooperation and unequivocally support more international cooperation in many fields, this democratic challenge will come to bear very strongly on us.

Thirdly, there is much to suggest that the position of political parties, which are key institutions in the democratic system we have in the Nordic countries, will continue to weaken in the decades to come. The parties put forward representatives for seats in national assemblies and local governments, their leaders take turns at forming governments, and prevailing policy-making is largely based on their manifestos and ideology. The Nordic democratic format – parliamentary democracy – has been built on organized and powerful political parties. If they weaken, it will have a substantial impact on the mechanisms of democracy.

Studies show that membership of political parties is declining and it is becoming increasingly more difficult to motivate people to work for them and design their policies. It was even forecast in Sweden a few years ago that if party political membership continues to drop at the present pace, there will be no one left in the Swedish parties by the year 2013. While I doubt this prediction, it is clear that political parties are having trouble in maintaining the position of influence which they held for the greater part of the 20th century. Their membership is dwindling, the media and interest organizations play more of a key role in

discussions and policy-making, and greater opportunities for entertainment and creative leisure have weakened the appeal of political parties. In the simpler society of earlier times, political parties were often the key to advancement and rewarding personal contacts, while individuals today are confronted by a global market with diverse opportunities. Many are also reluctant to pay the opportunity cost involved, when the media spotlight is increasingly directed upon the personal lives and families of people in political service, and the tough approach of modern media detracts many people from public office.

This weakening of political parties will undoubtedly have a substantial impact on the democratic system, although it is difficult to predict the consequences. However, it is clear that policy-making will continue to be transferred elsewhere: to institutions, experts and organizations with vested interests. The mass media have also largely replaced political parties in informing the public about the background to decisions. And parties will in all probability find it increasingly difficult to attract talented people to run for seats in local councils and national assemblies.

Fourthly, it appears that the main institutions of the democratic system will be weakened because others – businesses, organizations, the media, financial institution and the civil service – will triumph in the competition to secure people with the education, skills and talents to excel and take creative initiative. Young people today have far more diverse opportunities to satisfy their ambition for fame and fortune, exciting jobs and good incomes. The political parties, national assemblies and local governments – these key institutions of the democratic system – will have growing trouble in holding their own in the rivalry for human resources. This democratic problem has admittedly been taboo to some extent and there has been little in the way of proposals for countering it. If nothing is done to boost the position of democracy in this rivalry, however, there is a risk that these institutions will be weakened still further and power will gradually slip into the hands of others who are not subject to democratic restraints in the same way.

Fifthly, there will be a decline in the importance of consultation between government, labour unions and employers' organizations which have been a prominent feature of Nordic national governments in recent decades. Market forces and globalization have reduced the effect of such consultation and major companies in the economy have less need for it by virtue of their ever-stronger position. There is a considerable amount of truth in the witty analogy made by a German sociologist several years ago:

"For almost a whole century governments, business and labour unions have been playing happy families in the sandpit of the national state and have learned to live with each other in a more civilized fashion than before. In effect this means that people have taken the cake of sand off the spade according to the rules of collective bargaining and tax legislation. But then business was suddenly given a gigantic digger and is now shovelling the whole lot out of the sandpit. The state and labour unions are left sitting there, shouting for their mother." (Ulrich Beck)

Stereotyped as this image may be, it is clear that the influence exerted by public authorities and wage earners' organizations through consultation is on the decline, diminishing the power which was enshrined in channels of democratic communication.

Sixthly, it is interesting that at the same time a spectrum of new organizations dedicated to different issues have emerged, whose share in democratic dialogue and the decision-making process is likely to grow in the future. Environmental organizations, human rights organizations, organizations associated with international issues and organizations of minority groups are some examples, many of them driven by very active involvement on the part of their members. These organizations have served to step up public participation in the democratic arena and thereby counterbalance the decline that has characterized the activities of political parties and labour unions. If the functionality of these new organizations is to be used to strengthen the pillars of democracy, they must be given better access to the main institutions of authority in society – ministries, governments, national assemblies, local governments – because the powers-that-be often tend to confine their consultations to the older and more conventional organizations. They must demonstrate in practice that the leaders of democratic institutions applaud the impetus that these new organizations represent.

The grass roots and dissidence are possibly democracy's main sign of life, so relations with the movements that spring up there must not be neglected. Nordic societies enjoy stability and the democratic tradition has deep roots in the Nordic countries, so we should not fear allowing fresh winds to blow through the institutions of authority and decision-making.

Seventhly, it is likely that the media will continue to have a growing influence on discussions, issues, strategies and selection of leaders, and make politics more personal. All the Nordic countries have an open media market, but we increasingly wonder about the democratic responsibility of the media. How will media access by individual political parties, non-governmental organizations and opinion groups be arranged? Will a balance between different viewpoints be ensured and will the

media be sufficiently imaginative and responsible in imposing adequate restraint on the powers-that-be? The ownership of the media means that general democratic laws have little effect on their management and working procedures, so that in the future we must trust in the democratic sense of responsibility, in the ethics and professionalism of people working for them. Globalization and the flow of information from all parts of the world will make Nordic media ever more aware of its influential role in this respect.

This development of the media is linked to the eighth factor in democratic evolution: the influence of the Internet and information technology on the potential for individuals and groups to voice their opinions. Already, anyone can create his or her own medium and voice opinions instantly, put forward criticism, deliver news and seek to win support for a given cause. As we know, this technological revolution has radically altered the position of individuals, groups and organizations to profile themselves in the democratic dialogue. It has opened new channels for communicating opinions which threaten accepted attitudes and has weakened the position that political parties, the media and the most important organizations have had for controlling public dialogue. At the same time this development has forced more open and transparent government administration and easier access to information than before. New avenues have been opened up for activating the public in democratic participation, and it is important for us to take an open-minded view of such opportunities if we wish to try to strengthen and revitalize democracy in the years to come.

We need to ensure unrestricted and open access for all people to the new channels of information, and guarantee equality regardless of domicile, age or social class. Information technology must not become the privilege of any generation, education group or income group. Access to the Internet must be organized in such a way as to preserve democratic equality, just as public utilities were set up earlier last century for the public well-being. If we succeed in delivering IT in this way, it will give us a wealth of opportunities for renewing and strengthening the democratic system.

When the Internet has become universally available and its technology even more reliable, it will be much easier to set up direct voting on specific issues. This creates the possibility for strengthening bonds between parliamentarians and the electorate once again, and can boost localized organizations by facilitating their contact with fellow organizations in other countries, leading to dynamic international movements. The Internet will play a growing role in election campaigning and in many ways will enable political parties to renew their

activities. This will serve the interests of democracy, especially if the opportunities thus created are greeted positively. Given how advanced the Nordic countries are in general use of this technology, we have a unique opportunity to make them into a creative and exciting workshop for democracy.

Use of the Internet and IT can also reduce the risk of the elite becoming isolated from the masses; the national referenda on the European Union and individual European agreements in Denmark and Norway, and in fact in Sweden too, demonstrated how a rift can develop between a significant part of the nation and the powers-that-be in parliament and government. The channels of democratic communication have not proved sufficiently efficient and we need to find methods for making the dialogue between the people and their representatives into a better reflection of the democratic will of the public. After all, democracy is the form of government where people are supposed to have the ultimate say and the elite submit to that will. It can be expected in the future that there will be more need for national referenda and general voting on major issues in cities and regions to determine the will of the majority, and representative institutions, parliaments and local governments need to be prepared to allow the people to exercise directly the power on which democracy is really based.

Ninthly, there is much to suggest that opinions on major issues opinions will not follow party political lines: different viewpoints will emerge among adherents of individual parties. We see examples of this here in Iceland in people's attitudes to the European Union, hydropower projects in the highlands and urban planning in the capital, to cite a few examples. This trends prompts us to wonder how the democratic system in the Nordic countries will tackle this challenge, being founded on organized and relatively unanimous political parties choosing a leadership which, in parliament and in government, implements a predefined policy. We may need, to a growing extent, to take into account divisions within parties on major issues, and ensure that the spectrum of views is reflected in parliament and even within the government, whose working procedures hitherto have above all been based on party discipline. It could prove a difficult test for the Nordic democratic system in the years to come, to adapt to an intra-party spectrum of opinions on major issues, and identify means for ensuring that under such circumstances too, our democratic systems can ensure that the will of the majority prevails.

The historical principle behind the Nordic democratic system assumes that a fairly like-minded nation is linked to government institutions along organized lines. In recent years, however, we have needed to tackle the challenge of giving minorities, whose roots lie in

other cultures and who adhere to other creeds and customs, the chance to exert a democratic influence on central and local governments.

The tenth and final challenge that I shall mention here today is therefore how, in the decades to come, the Nordic democratic systems will create easy and secure opportunities for minority groups, immigrants and others who now a prominent presence in our countries' multicultural communities, to become fully valid participants at all stages and in all institutions of government which we have built on a democratic foundation. We in the Nordic countries have acquired different levels of experience in this respect, but hopefully we can avoid the mistakes that have led to serious problems among other democratic nations. This will put our democratic integrity more to the test than at most times in the past, and the outcome will reflect how strong the humanitarian foundation of Nordic democracy really is.

These ten factors in the democratic evolution which I have briefly touched upon are by no means an exhaustive list of the changes, problems or challenges which Nordic democracy will tackle in the decades to come. Others can be named, such as changes in the power of national parliaments, and the increased influence of the courts through their tendency to pass rulings which serve as precedents and to interpret the nature of the constitution more extensively than before. Such a development could in turn prompt questions about the selection of judges and their position in the democratic system.

It is difficult to assess how extensive the changes that have been discussed here may become or the impact they will have on the overall character of Nordic democratic systems. However, it is likely that Nordic cooperation, for example through the Nordic Council, will need to adapt to new conditions, since it has been based on the democratic model in which national assemblies, governments, civil service and political parties are the main players.

Growing discussion can also be expected on responses to the problems faced by our democratic structures in the next decades, and it is important for the powers-that-be and scholars to discuss these issues with open minds. We need to acknowledge the problems we face, have the determination to face up to the weakening of political parties and the democratic deficit which accompanies growing European cooperation, but also see the opportunities for boosting democracy which lie in the information revolution and in the growth of organizations dedicated to criticism of the status quo. We need to discuss changes positively in the spirit of the revolutionaries who paved the way for democracy in centuries past.

History shows us that democracy has been in the process of continuous evolution and that the form it took around the middle of the 20th century was significantly different from that of a hundred years before. Franchise had been radically changed, women and the poor had acquired full suffrage, organized mass political parties had emerged, the procedures of national assemblies had altered significantly, and interest organizations had become a crucial impetus in debates and policy-making.

Measured in decades and centuries, the development of democracy is really the history of continual change, so we should be prepared to respond to the transformation that lies ahead, accept it as an enchanting challenge instead of greeting it with suspicion or fear, and not clutch the image of democracy which took full shape around the middle of last century as if this is the only true model for all time.

Democracy in the Nordic countries has firm roots and in many ways is inextricably connected with our social structures and cultures. Unquestionably it offers enormous benefits, given what has happened elsewhere in the world. We can certainly congratulate ourselves on the unequivocal success of the Nordic nations in this respect, and for this reason we are also better equipped to tackle the challenges that lie ahead. We have less at risk.

It is therefore a worthwhile task for Nordic institutions to discuss in detail proposals for reform to our countries' democratic systems. In this way we can also offer guidance to other nations about how to respond to the issues and tasks which democratic states everywhere will need to address in the years to come.

How should we preserve the scale of democratic influences in an age of globalization and market forces?

How should we redress the democratic deficit created by European cooperation and the increased influence of international institutions?

How should we attract new people to work in politics, counter the weakening of political parties and ensure that the main democratic institutions have talented and educated people at their disposal?

How should the government system be opened up for consultation with the new type of non-governmental organizations whose roots lie in idealism, criticism and dissent, by ensuring extensive participation in creative dialogue on policy-making?

How should the Internet and information technology be utilized to strengthen the rights to democratic participation by individuals and

groups, make the decision-making process transparent and impose necessary restraint on the civil service?

How can we use direct voting, at local, regional and national level, to increase the public's participation and democratic power, to help provide a natural outlet for the intra-party spectrum of views on important issues?

How should the working procedures of national assemblies, local governments, political parties and international institutions be changed so that they better reflect democratic tendencies and keep pace with changes in accepted attitudes?

How will immigrants and other minorities be ensured open access to decision-making fora, in order to prevent the emergence in the Nordic countries of isolated social groups with no influence?

These questions are only some examples of the tasks that lie ahead for ensuring the natural regeneration and advancement of Nordic democracy. We should take a positive attitude towards these tasks and welcome the present chance for democratic innovation. We can look once again to the ideas of the philosophers and political thinkers who, in the past , shaped the democratic heritage and discussed which form of organization would be best suited to the essential concepts of democratic power. There may now be opportunities to give the people themselves control over what was previously considered to be unavoidably entrusted to representative institutions, and launch through Nordic fora a comprehensive dialogue on the benefits of direct democracy in light of the new order.

We Icelanders to some extent stood at such a crossroads in the buildup to the establishment of the Republic more than 50 years ago, when a choice had to be made as to whether representatives of the parties in parliament or the nation itself should elect the President of the Republic. Initially, political leaders intended to vest this power with the parliamentarians, but widespread public debate created pressure for entrusting this right to the nation directly and without intermediaries. The outcome was that the President of Iceland would be chosen in a general election, which was the first time that any democratic nation adopted a direct election for its head of state without the selection of intermediary representatives or an electoral colleges.

The Nordic countries have been a forum for democratic innovation in more fields, and in many ways the Nordic model has proved dynamic in the course of time. Let us preserve this quality and strengthen it in the years to come, to equip our countries more effectively to play a valid part

in dialogues and policy-making concerning the global evolution of democracy.

The challenges under discussion here are by no means confined to the Nordic countries. They will also characterize developments elsewhere. However, we have good conditions for making the Nordic countries a region of leadership in democratic innovation, thereby strengthening our position for influencing the well-being and advancement of democracy during the new century.

Although we take democracy for granted and consider it only natural, history contains many examples of the opposite, and a great deal of work still remains to be done in order for all mankind to be able to enjoy the form of government based on human values and the equal right of all people to take part openly and freely in shaping their own destinies.