

The Battle Over Denmark: Denmark and the European Union

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The Battle Over Denmark Denmark and the European Union

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"Something Rotten in the State of Denmark?"

N 1998, Denmark and the EU celebrated their silver wedding. Unlike most couples, which, unless they decide to split, manage to smooth out the wrinkles after several decades of wedlock, Denmark's EU-marriage remains a rocky one. Indeed, for the last decade, Denmark has behaved like an EU-member that is often toying with the idea of heading to the divorce lawyer. This image was accentuated when the Danish electorate voted no in two important EU-referenda. In 1992, voters rejected the Maastricht Treaty and in 2000 said no to Denmark's participation in the single currency, the euro.

This rocky marriage is anything but a new phenomenon. As a matter fact, one can easily make the case that Denmark's EU-membership in 1973 was a marriage of convenience. At least it is striking how the Danish EU debate was dominated for several decades by twinges of bad conscience very similar to the ones experienced by a bride who ends up marrying the affluent graduate student instead of her true (but rather impecunious) love from her hometown. In Denmark's case, the affluent groom was the European Union, which offered the prosperous economic future that Denmark's true love, the remaining Nordic countries, was not able to provide.

The core argument of this article is that Denmark's "matrimonial" difficulties must be seen mainly as the result of a constant battle over identity. As far back as 1972, Danish governments have struggled to find a positive fit between what is perceived as Danish identity and the

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European Union. Although there are special features in the Danish case, such as the tradition to have national referenda on all key EU-decisions, this identity battle is not unique for Denmark but is rather a phenomenon which characterizes all Nordic countries. With the possible exception of Finland, whose relationship with the EU has been dominated by the all-important security argument, all Nordic countries are struggling to find a credible fit between their national identity and the EU. Indeed, as Ole Wæver has provocatively pointed out, this fit is especially difficult to find in the Nordic countries particularly because Nordic identity is partly "about being *better* than Europe" (Wæver 1992: 77; emphasis in the original). Hence, Denmark and the other Nordic countries could lose some of the advantages of their "Nordic Model" by co-operating closely with the rest of Europe.

The above argument of this article is laid out in four sections. We start by looking specifically at Denmark's road to the European Union and the journey afterwards. After this flashback, section two brings the analysis up-to-date by analyzing the latest EU-referendum in Denmark. A central argument here is that this referendum was very much decided by the no-side's ability to construct a far more credible fit between Danish identity and the EU than the so-called yes-side.² In section three, we look at Denmark's position after the latest "no:" is Danish EU-policy about to change or rather will it be business as usual? The final section takes a more comparative approach and ties the analysis together by asking the following question: What role does Nordic co-operation play in terms of improving the fit between EU integration and national identity?

THE DANISH PATH TO THE EU

A Nordic Sprinter—A European Latecomer

Compared to the rest of the Nordic region, Denmark was quick to find its way to what was then the European Community (EC). Yet

¹ According to the Danish constitution (art. 20), EU-treaties shall be put to a national referendum—unless the treaty has the backing of a 5/6 majority in the *Folketing*. Some scholars, however, have argued that the tradition to hold referenda has developed into a political norm, disconnected from the actual legal content of the constitution as such.
² In principle, it is a generalization to use the expressions yes and no side. Over time,

In principle, it is a generalization to use the expressions yes and no side. Over time, substantial variations have emerged within both camps. In this broad and general article, however, we will still stick to the concepts.

considering that the integration process had started in 1951, Denmark, which entered the EC in 1973, was in reality a European latecomer. For the first few decades, Denmark, together with its core trading partners, namely the UK and the other Nordic countries, preferred to stay outside the European integration process. The very fact that Denmark was a latecomer is a core reason why the overall EU issue quickly turned into a battle over identity.

In 1973, most of the political arguments for membership, which had played an important role elsewhere such as in the Benelux countries, were either outdated or used as crucial yes-arguments for other institutions. A telling example of this is the "peace and stability argument" (or, phrased less politically correct, the argument about containing Germany). In 1973, peace and stability seen from Copenhagen appeared either as a goal fulfilled or as a task that another organization that Denmark had joined, NATO, was in charge of. As a result, the yes-side's arguments for EC-membership were highly focused on the economic benefits—"We must join in order to protect our bacon exports to the EU."

The problem with this economic approach was that it failed to link EC-membership to Danish identity. This was in clear contrast to the no-side, which linked its argumentation to "Danishness" and even to continuation of the Danish State. Not only would Denmark be transformed into a municipality in Europe as the EC gradually developed into a federation or even a state, but it would also be tied down in a Union, in which Danish values (such as its welfare system and participatory democracy) could not be accommodated. Indeed, the no-side's rhetoric was thick with references to the capitalistic common market and its non-democratic character, all features that were looked upon as the opposite of what Denmark stood for. Moreover, the no-side portrayed the yes-politicians as an elite out of touch with the general public. Instead of joining this very "un-Danish" and "un-Nordic Club," Denmark should rather join forces with its soul mates, Sweden, Norway, Finland, and Iceland.

All the yes-side could do to counter this rhetoric was to emphasize the promise of economic gains and point out that the EC—since it was simply a normal, intergovernmental organization just like the free trade organization, EFTA, which Denmark had joined in the early '60s—was not a threat to Danish identity. In practice, this led to a situation in which the government downplayed all supranational and political features of the EC. For the voter, the many statements that the EC was "just" an intergovernmental organization, which in any case could be kept at bay

by using the national veto, must have left the impression that the EC was indeed a threat to Danish identity. If not, why was it so important for yes-politicians to underline that they could keep Brussels at bay? At least it is safe to argue that, from the beginning, any new integration steps promised to cause problems for the various Danish governments since they ran counter to the promises issued in the initial campaign.

During the first years of Danish EC-membership, the various promises were not severely tested. Partly due to the oil crisis, the integration process stuttered through most of the 1970s. When the integration process picked up speed again during the 1980s, the new dynamism was centered around an economic project (The Single Market), which, according to the Danish Government, could be portrayed as a confirmation of its yes-campaign in the early 1970s—"You see, the EC is only about economics." All political features of the so-called Single European Act were downplayed to such a degree that the Danish prime minister, on the day before election night, promised the voters that the Single European Act had buried all ambitions to create a political union. Or, to quote the prime minister directly, "The Union was stone dead" (Friis 255) Largely because the EC was portrayed as only about economics—and hence no real threat to Danish identity—was the government able to secure a yes in the national referendum.³

From Maastricht to Edinburgh

The Maastricht Treaty in 1992 was a much stiffer test for the Danish yes-side. A treaty that contained a common currency, a common foreign and security policy, union citizenship, etc., could hardly be portrayed as solely an economic enterprise. Hence, the yes-side was pushed to develop a new strategy. A core feature here was the tendency to abandon the de-politicized strategy. Essentially, the yes-side acknowledged that there were no clear dividing lines between politics and economics. In particular, the Social Democratic Party took the view that the EU should also be seen as an instrument replacing the Darwinism of the market with common EU rules, for instance on the environment. Inspired by the fall of the Berlin Wall, leading Social Democrats also played

³ As a curiosity, the Danish Parliament actually rejected the Single European Act. This caused the prime minister to call a political referendum in order to overrule the majority in parliament. The no to the Single European Act by the parliament was largely seen as domestic politics—i.e. political positioning in the run up to national elections.

the security card. According to the spokesperson of the party, there were three arguments for a yes to the Maastricht Treaty—Germany, Germany, and Germany. Although these arguments seemed to ease the traditional confrontation between "us in Denmark" and "them in Brussels," no yes-politician went so far as to argue that the EC was an extension of Denmark or an instrument which would allow Denmark to protect its model.

As highlighted by the "no" to the Maastricht Treaty in the referendum in June 1992, the shift toward a more political yes did not go down well with the public. A large part of the 1992 campaign centered on old referenda promises. The no-parties were thus eager to point out that the yes-side had tricked the public into voting yes in 1972 and 1986 by downplaying the political implications. This strategy of the no-side pushed the yes-side into a strategy of denial. Referenda promises had not been broken since the EC (even with Maastricht) was not on the road to statehood. Indeed, the EC was still largely an intergovernmental co-operation with sovereign states as members.

Although the referendum in 1993 approved the Edinburgh Agreement (the Maastricht Treaty with Danish reservations on union citizenship, a common currency, defense policy, and supranational co-operation on justice and home affairs), the situation was anything but stable. To a large extent, the yes-side had moved away from its purely economic, utilitarian way of reasoning but had not been able to convince the public that European integration was not a threat to Danish national identity. To put it mildly, the decision to hold another referendum in 1993 after the no in 1992 had also caused considerable bad blood.

A More Danish EC

In view of this unstable situation, the Danish yes-side embarked on a new two-fold strategy in the run to the next EC referendum on the Amsterdam Treaty in May 1998. The new strategy was combined with a third, more traditional, feature.

The first part of the strategy was directly linked to Sweden's and Finland's membership in the Union in 1995. Since the EC was now endowed with three Scandinavian members, it appeared far more realistic to embark upon a pro-active line of action—trying to transform the EC into a more Nordic enterprise. To be sure, it was also more difficult for the Danish no-side to maintain the argument that EC-membership was undermining the Nordic alternative for co-operation.

More specifically, this first part of the strategy was aimed at bridging the classical dichotomy in the Danish EU-debate—between "us" in Scandinavia and "them" in the EU. In close co-ordination with Sweden and Finland, Denmark pushed several "Nordic" issues onto the agenda for the Amsterdam conference (unemployment, consumer policy, environment, and social policy). As a result, the Danish government was, for the first time, able to construe the EU as an extension of and not as a threat to Danish values. What the Amsterdam Treaty aimed at doing was spreading these values to the whole of Europe. Or, to quote the slogan of the Danish Social Democratic Party, "The Danish Road is now also the road of the EU;" the EU is "becoming more Nordic and more Danish."

The second part of the strategy was, once again, a novelty, namely to stress the EU's important role in maintaining peace and stability in central and eastern Europe. The integration project was no longer just about economics and cool cash, but a project guided by strong ideals—doing unto central Europe what the EU had done for itself. In reality, this was the first time Danish politicians presented voters with a vision of why EU integration was important.⁴

This new twofold strategy was combined with a true classic in Danish governments' attempts to deal with EU-skepticism. In the run up to and during the Amsterdam referendum, the government was busy in pointing out powerful roadblocks, which would ensure that Denmark would not be tied down by more integration. The first roadblock was the four reservations obtained in the Edinburgh Agreement. Already before the Amsterdam Intergovernmental Conference (IGC), the prime minister promised that the four reservations would "stand before, during, and after the IGC" (DUPI 200:261). Hence, they were not in any way up for discussion.

As far as the reservations were even discussed, the government concentrated on emphasizing that the euro, European defense, and co-operation within justice and home affairs were still theoretical projects, which had just been placed on the drawing board. In any case, non-acceptance of the euro would, according to the Danish prime minister, only lead to marginally higher interest rates in Denmark than in the euro-zone (Weekendavisen 28 May 1998).

⁴ The fact that the Amsterdam Treaty did not really fulfill its task of gearing the EU's institutions toward enlargement was heavily downplayed by the yes-side. Not surprisingly, the no-side did its best to draw attention to this fact.

The second roadblock was the overall development in the EU as such. The core yes-parties spent considerable time arguing that the EU-integration train was running out of steam. Indeed, in the final days before the referendum, Prime Minister Poul Nyrup Rasmussen issued a kind of guarantee that Amsterdam was the last IGC of its kind (Weekendavisen 28 May 1998).⁵

To Euro or Not to Euro?

If one looks at the Amsterdam referendum result (see Table 1), it is easy to make the case that the new strategy paid off. After all, the ves-side managed to win the referendum with a (for Danish circumstances) safe margin. In practice, it is however just as valid to argue that the victory of 1998 bore the seed for the defeat in the euro-referendum in 2000. Many of the promises issued during the 1998 campaign came back as boomerangs just as in 1992 when voters remembered promises that the "Union was stone dead." This fact shows how Denmark's relationship with the EU is affected not just by the battle over national identity, but also by a referendum factor. In Denmark, unlike in most other EU member states, including Sweden and Finland, the protagonists in the national identity battle are regularly endowed with a perfect arena for their quarrels—an arena, which makes the infighting even fiercer and triggers a self-perpetuating process. Just as in elections, EU referenda tend to become black-and-white. And just as in national elections, a number of election promises are issued that come back to haunt the politicians in the next election. Perhaps due to the complexity of EUaffairs, this tendency is even more pronounced when EU-issues are on the agenda in a referendum.

In principle, this referendum factor can also be explained as follows: it is obviously far easier for a government to pursue a pro-European policy (like Finland, for instance) if all important EU-decisions are not supposed to be ratified by the citizens. If Denmark had not developed

⁵ The "guarantee" was issued despite the fact that the Amsterdam Treaty clearly did not prepare the EU's institutions for enlargement, leaving it to another IGC to finish this job. To be fair, Poul Nyrup Rasmussen was, however, not alone but was strongly supported by the new leader of the Liberal party, Anders Fogh Rasmussen. Moreover, both politicians opened for "future technical adjustments" to the EU's institutions in connection with enlargement.

the referendum tradition, Denmark would probably today have been a member without reservations. In order to shed more light on this referendum factor (and also to show how the battle over national identity continued), we will now turn to the euro-referendum in more detail

	1972	1986	1992	1993	1998	2000
Yes	63.3%	56.2%	49.3%	56.7%	55.1%	46.8%
No	36.7%	43.8%	50.7%	43.3%	44.9%	53.2%
Turn out	90.1%	75.4%	83.1%	86.5%	74.8%	87.6%

Table 1: Denmark's six EU-referenda. Source: L. Friis.

Old and New Promises

The Amsterdam referendum was barely over before the Danish prime minister changed his tune on the euro. In October 1998, the prime minister stated that there would be a referendum on the euro, although it was uncertain when. In March 2000, Prime Minister Rasmussen set September 28 as the date.

This rather sudden turnaround immediately triggered a fierce debate on broken campaign promises. Why was it suddenly so vital for Denmark to join the euro— the "most important foreign policy decision since the Second World War" (Danish Parliament 25 May 2000)—when the same prime minister, in May 1998, had argued that the euro would only affect Denmark marginally? And what had happened to the prime minister's campaign promises, which had barely been able to gather dust?

The prime minister maintained that things had changed since May. The euro was now about to be launched, and speculation against the Danish krone in August 1998 had proven that non-membership carried a stiff price. Unlike weaker countries within the euro-zone, Denmark was subject to speculation from the "wild birds of the financial markets" (Berlingske Tidende 1998). Considering the tradition of election promises that were not kept in their entirety ("the Union is stone dead"), this explanation was apparently not able to convince the majority of the voters. At least it is striking how the overall question of why Denmark should vote on the euro never left the agenda all the way up to September 28. In contrast, it breathed new life into the overall question of the credibility of the yes-side.

The credibility issue only gained in prominence when attention turned to the prime minister's so-called "divorce promise." At a seminar in February 2000, the prime minister made the case that the euro-decision was not necessarily final. If Denmark were to regret its decision at a later stage, it could reintroduce the krone. The fierce discussion as to whether this was a credible promise culminated in May 2000, when the president of the Commission, Romano Prodi, during a visit to Denmark questioned the divorce clause. Besides feeding into the credibility discussion, the immediate debate on divorce can hardly have reassured voters in doubt. Why was it so important for the prime minister to stress that divorce was an option? Didn't this imply that the project in itself was insecure and possibly a threat to Denmark?

A similar discussion took place in the final days of the campaign. Here, the prime minister, after heavy pressure from the no-side, guaranteed that the Danish pension system would be maintained more or less indefinitely. Almost in parallel, the Danish foreign minister issued a veto-guarantee: Denmark would veto any proposals in the ongoing IGC that would negatively affect the Danish pension and social system. Although the purpose of both initiatives was to calm the voters, it actually seemed to have the opposite effect. Why would ministers promise to veto proposals if they did not themselves look upon them as a threat to the Danish model?

Most likely, the various promises (old and new) contributed to the "no" on September 28. The fact that most promises centered on economics points to another explanation, namely the fact that the government reverted to a very economic approach of discussing EU-affairs. It, therefore, became difficult for the yes-side to present a stable fit between Danish identity and the euro—or at least a fit which could compete with that offered by the no-side.

Who's More Danish?

Unlike in the Amsterdam campaign, the government decided very early on to run a campaign that mainly stressed the economic benefits. This became clear in the first debate in parliament in April 2000 when the prime minister launched four arguments for a yes: (I) securing economic progress, (2) an "insurance" against currency speculation, (3) job safety, and (4) Danish dignity—"Denmark cannot be on the sideline" (Folketinget II Apr. 2000). Although political arguments were

not absent (see argument 4), they trailed far behind the economic arguments. Apparently, the government was convinced that such a pragmatic, utilitarian approach would pay off. After all, weren't the Danes skeptical of more political integration?

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Reasons for voting no:
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- 37% No to more union
- 23% Wish to defend Danish identity, such as the krone
- 23% Mistrust of the EU as such
- 17% Other

Reasons for voting yes:

- 50% To protect Danish influence
- 23% Deepen political integration
- 11% Economic advantages
- 16% Other

Figure 1: "The Danish No-Politics Beats Economics." Source: *Politiken* 15 Oct. 2000.

The opinion polls conducted after the euro-referendum suggest this economic strategy misfired. For both yes- and no-voters, economics only played a marginal role. As a matter of fact, only every ninth yes-sayer ticked the yes-box on the ballot paper due to economic advantages (see Figure 1). Even more damaging was the fact that the economic strategy, as hinted above, failed to present a credible fit between the euro and Danish identity. Obviously, the yes-side tried to make the claim that rhe EMU was the best way to insure the Danish model and economic success. After having portrayed Denmark as a "pioneering country" for years, this message was, however, difficult to put across. 6 As a matter of fact, by having labeled Denmark as "the best welfare state in the world," the government was put on the defensive. If the Danish model was so superior, surely then Denmark could only be pulled down by the rest of Europe in an economic and monetary union? The credibility of this danger was increased by the fact that most Danes, apparently as a reflex, accepted the assertion that the Danish pension scheme (*folkepension*) was better than those in, for instance, Germany, Sweden, and France, hence confirming Ole Wæver's quip cited at the beginning of this article that Nordic identity is "about being better than Europe."

⁶ The pioneer argument dominated the prime minister's address to the nation on 1 January 2000—just on the brink of the referendum campaign ("It is our duty to take care of the welfare society, which everyone is looking upon as the best in the world").

Conversely, the no-side had no similar problems. On the contrary, they presented a no as the best way to protect Danish identity. If voters rejected the euro, everything would be business as usual and the Danish success model would continue. If they voted yes, Denmark would more or less disappear from the map as an independent state, as a national currency is part and parcel of national statehood.

How successful this argument was can be seen not only from the opinion poll but also from the actual debate on the euro. Throughout the entire campaign, the no-side was never pushed to present an alternative vision for Denmark beyond the euro. The alternative was simply that the status quo was also promoted by many Danish symbols—from the Queen (whose image adorns the obverse of many Danish coins) to the flag—whereas the yes-side could only refer to a lowering of interest rates. Especially the right-wing Danish People's Party's attempts to invoke the symbols of Danishness frustrated the prime minister. After the party had launched its campaign slogan, "For Krone and Country," he made the following appeal in Parliament:

We are all Danish, and we are Danish all day long, and no one is more Danish than others here in Denmark.... So I hope we will not hit each other over the head with statements that persons who take a particular point of view are indeed almost traitors, and that they are definitely not Danish.... (Folketinget 11 Apr. 2000)

Although the yes-side's inability to link the euro to Danish identity is a crucial factor that explains the no, it should be mentioned that the government was also dogged by simple bad luck. Just after the government had decided to launch a public debate on the euro, the sanctions against Austria's new right-wing coalition government were agreed upon. Although the sanctions were not formally an EU decision, it seemed to provide Danish no-sayers with the final proof that the EU was developing into a strong political body, which even interfered in national elections.

The next misfortune was the biannual report of the Danish Economic Council. As early as the spring of 2000, this report, in strong language, torpedoed the yes-side's core argument that euro-membership was important for the Danish economy. According to the independent economists, the economic effects of joining were "small and uncertain" (*Det økonomiske Sekretariat* 2000). Perhaps not surprisingly, the report became the new focal point of the debate.

Finally, the continuing fall of the euro also undermined the yes-side's strategy. Most important here was that it triggered the image of the

Titanic, which the no-side used again and again. Why should Denmark join a sinking ship? Wasn't Denmark much safer staying on shore? The argument that the krone, pegged to the euro, would not be affected by an eventual collapse, could not compete with the image of a sinking ship.

The bad luck coupled with the overall campaign led to a situation in which the no-vote hardly came as a surprise. Unlike June 1992, when the no shocked the Danish government and the entire EU, the surprise in 2000 was not that the voters rejected the motion, but rather the clarity with which this was done.

Business as Usual?—After the No

In the immediate aftermath of the referendum, the Danish government took the view that the voters had not turned their backs on Europe; the vote on 28 September was only about the euro. Although this attempt to encapsulate the rejection of the euro was quite understandable, it was not fully carried out in practice. Despite the fact that the vote had only been on the euro, the government came to the conclusion that none of the other reservations could now be put to a referendum for some time. After having lost the referendum on the euro, it was simply looked upon as suicidal to ask the voters to consider any of the other reservations.

As a result, the no to the euro will have broader consequences for Denmark, in that the country is *not* on its way back to full-fledged membership. Instead of putting the reservation concerning defense policy to a national vote (as was generally expected before 28 September), the issue of another referendum has been taken off the agenda.

The fact that Denmark still retained certain reservations could easily be seen as a business-as-usual argument. Before September 2000, Denmark had four reservations; after September 2000 the number was exactly the same. The argument here, though, is different: the four reservations had been seen ever since 1992 by Denmark's EU-partners as a provisional arrangement or as breathing space which Denmark needed after the 1992-referendum before catching up with the other member states. As a result, Denmark was generally looked upon as a full-fledged member in waiting. Hence, Denmark's views on, for instance, the defense questions remained of interest to the other member states. After the no, the situation was different: Denmark had indicated to the other member states

that the reservations were here to stay. Very likely, this will make the other member states less attentive when a Danish representative is given the floor on a policy issue about which Denmark has a reservation.

Secondly, it must be stressed that the EU post-2001 is very different from the EU of 1993. In 1993, when the Danish reservations were accepted, the three important areas (euro, justice and home affairs, and defense) were still dormant. After 2000, they stand out as important aspects of European integration or as features that define the EU. Hence, non-membership in these particular areas will probably also have broader consequences for a country's influence and agenda-setting capacity.

As a matter of fact, the Danish position after the no is unique. Although the EU is generally developing into a more flexible union (with enhanced co-operation and various special protocols), no other country has three reservations. Denmark is the only country that cannot participate in the defense initiatives and the only country which cannot accept supranational legislation on justice and home affairs. Finally, whereas Denmark has said no to EMU, Sweden and the UK are still seen as members waiting in the wings.⁷

This unique position of Denmark does, however, not necessarily imply that Denmark will change its EU-policy. On the one hand, it will be difficult to pursue a far more pro-EU policy considering the present climate of opinion. On the other hand, the Danish government will still push for its traditional policy concerns: enlargement, employment, greater involvement of the national parliaments in the EU, etc. When Denmark takes over the EU presidency in the second half of 2002, one can therefore already be sure that it will put enlargement at the top of its agenda. Indeed, what could be more appealing for a Danish prime minister than being able to give the "From Copenhagen to Copenhagen Address"? "The membership perspective for central and eastern Europe was extended here in Copenhagen in 1993, and now, here in the same city, we are able to sign the first accession treaties."

That everything has remained more or less business as usual in terms of policy, if not in terms of influence, can be seen from the results of the Nice intergovernmental conference, which was concluded in December 2000. After the no, Denmark pursued almost the same policy as before. The only explicit change was Denmark's view on enhanced co-operation.

⁷ Since union citizenship is very undeveloped, the reservation on this matter does not really play a role in practice.

As pointed out by the Danish foreign minister, it was hardly tenable for Denmark to use flexibility itself and deny other member states any kind of flexibility.

In practice, Denmark was, however, not really tested in Nice. In the most important areas, such as the size of the Commission or qualified majority voting on social affairs, Denmark was anything but isolated. Indeed, the hard work was often left for others to carry out. Since these efforts meant that the new treaty did not contain any transfer of sovereignty, Denmark ratified the Treaty of Nice in parliament on I June 2001. Ironically, Denmark, which is usually pictured as the most euro-skeptical country, was the first to ratify the treaty, while Ireland—generally viewed as an EU-enthusiast—rejected it in a referendum in June 2001.

Even though it is difficult to see major changes in the actual policy of Denmark in the immediate future, such is not the case with regard to the Danish EU-debate in general. After the massive defeat, all yes-parties have stated that one should dare to embark upon a more politically oriented debate on European integration instead of leaving this flank open to the no-side. Skeptics point to similar statements by yes-politicians after the Danish no in 1992. The point is, however, that new developments within the EU leave the government with no real choice. After all, in 2004 the IGC is scheduled to discuss issues such as a European constitution and catalogue of competencies, which can hardly be portrayed as economic initiatives. Secondly, and more positively seen from a Danish perspective, the EU is finally moving into a stage of the enlargement process, where accession is indeed around the corner. Since enlargement, unlike general opinion in most other member states, is popular in Denmark, it provides the government with some powerful political arguments.

As a matter of fact, one can argue that Denmark is facing an all or nothing referendum where membership as such is at stake. Two possible scenarios can already be seen on the horizon. In scenario one, the new IGC produces a completely new EU-treaty (or constitutional treaty), that replaces the existing ones. If Denmark rejects the new treaty, it would therefore be left without any legal connection to the EU and would be forced to negotiate a new kind of agreement. Scenario two is less radical. Here the IGC does not produce a completely new treaty, but only a treaty, which amends the existing ones. Formally, the Danish referendum would therefore only center upon a single issue. Should Denmark remain at the present level of integration (the Treaty of Nice), or should it implement the new treaty? In practice, Denmark would

once again be facing an all or nothing referendum. The basic reason is that another Danish no would in practice require Denmark to find new EU-reservations in order to be able to ratify the new treaty.⁸

Since the new IGC will most likely only deal with constitutional issues, such as the charter of fundamental rights or a catalogue of competencies, it is difficult to see what areas would qualify as potential new reservations. Hence, in the event that Denmark votes no, it would once again face a situation where it would have to negotiate a new, separate agreement with the EU—possibly similar to Norway's. Indeed, the Norwegian way or full membership could very well be the crucial question in the coming years for Denmark. Although it is far too early to predict the answer to this question, a possible indicator is the fact that actual support for EU-membership is generally rather high (see Table 2): 65 percent are of the opinion that Denmark has gained from membership.

Luxembourg	79%		
Ireland	75%		
Netherlands	71%		
Spain	63%		
Belgium	62%		
Portugal	61%		
Greece	61%		
Italy	59%		
Denmark	51%		
Germany	48%		
France	48%		
Finland	39%		
Austria	38%		
Sweden	34%		
UK	28%		

Table 2: Support for European Union Membership. Source: *Europarometer* 54:34–50.

⁸ On paper, a re-negotiation of the entire treaty is also a possibility. This was, however, not possible in 1992. Neither were the other member states willing to re-open the treaty when Ireland rejected the Treaty of Nice in June 2001.

Conclusion—A More Nordic EU?

The core argument of this article is that Denmark is not really an anomaly in Scandinavia. On the contrary, Denmark's relationship to the European Union is dominated by a feature, which also plays a major role in all the other Nordic countries (with the possible exception of Finland)—namely the difficulties of finding a credible fit between national identity and the EU project. Since the Nordic countries have traditionally been characterized by a strong belief in their exceptionalism (the Nordic model), the road to Europe has often been bumpy. However, judging from the European debate as such, all member states are presently struggling to make the EU compatible with national identity. The Irish no in the referendum to the Treaty of Nice is only one example; German concerns for the common currency another. Or to quote a leading British EU-expert:

Governance is becoming increasingly a multi-level, intricately institutionalized activity, while representation, loyalty and identity remain stubbornly rooted in the traditional institutions of the nation state. Much of the substance of European state sovereignty has now fallen away; the symbols, the sense of national solidarity, the focus for political representation and accountability, nevertheless remain." (Wallace 1999:521)

Where Denmark differs from the other Nordic countries and most of the member states is in its tradition of putting important EU decisions to referenda. Unlike in Germany, for instance, the referendum practice provides an effective channel for euro-skepticism or just an excellent opportunity to give the government a black eye. As we have shown, the black-and-white referenda lead to a self-perpetuating process where election promises in one referendum are transformed into a boomerang in the following.

The conclusion that the Nordic countries, despite some variation, are not really that different seems to be confirmed by the recent development within Nordic co-operation. Despite the Danish euro referendum, which could have enticed the more pro-EU Finland to give up on Nordic co-operation within the EU, we have witnessed the opposite. In spring 2001, Sweden's Prime Minister, Göran Persson, for the first time acknowledged that "the Nordic countries have lost a lot by not co-ordinating sufficiently in the EU" (Norden i veckan måndag 2001). Since Denmark and Finland have generally been more positive about Nordic co-operation within the EU than Sweden, a new door seems to have been opened since no

major forces in the Nordic countries any longer look upon Nordic cooperation as a real alternative to the EU. The essence of the game now is how Nordic co-operation can be used as a platform within the European integration process. Although not all Nordic countries are members of the EU, they are all affected by EU directives.

It is still unclear what produced the change of heart in Sweden. A likely explanation is the forthcoming enlargement of the EU. Accession of up to thirteen new members will undoubtedly produce a very different Union, which in itself could provide the Nordic countries with the all-important incentive for closer co-operation. A likely scenario here is that the EU (at least on some issues) would move to group negotiations, where countries would speak with one voice—simply in order to ensure that negotiations among twenty-eight member states will not go on indefinitely. Although this may sound far fetched, the Franco-German axis and the Benelux countries already today speak with one voice on certain matters. Austria, the Czech Republic, Hungary, Poland, Slovakia, and Slovenia have also made preparations to move in a similar direction (Ferrero 2001).

If this scenario turns into reality, the three Nordic countries would risk loosing a substantial part of their influence if they insist on putting forward exactly identical policy statements—on, for instance, the environment—but only in three Nordic languages. At least, one could hardly blame the EU-partners for taking off their earphones after the first Nordic presentation. To be sure, increased Nordic co-ordination would not amount to a Nordic bloc but would only lead to formal co-operation on those issues upon which the countries would argue along similar lines anyway, such as transparency, environment, enlargement, and employment.

Another possible explanation for the Swedish turnaround is the realization that Nordic co-operation within the EU could provide the Nordic countries with help in the identity battle. Since the Nordic countries are very proud of their model, what could be sweeter than exporting this it to the rest of Europe? Or, to paraphrase the slogan of the Danish Social Democratic Party in the run up to the Amsterdam referendum: Why not try to make the EU more Nordic—a continuation of the Nordic region—rather than a threat to the region and its identity? At least it should be very clear that the region's future relationship with the EU will very much depend on finding a better fit between Nordic identity and the EU as such.

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