

Emmakristina P. Sveen  
Wesleyan University  
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The Nordic Model of Social Democracy & Welfare

*Is Utopia Sustainable?*

## ***Abstract***

The Nordic Model of Social Democracy is unique relative to its European counterparts, which are also characterized by some implementation of a welfare state. And throughout history, the generosity of the Scandinavian system has been revered as the “utopia” of representative government. But what aspects of the regime render this Nordic Model so distinctive as to have an entirely separate category of classification?

In this paper, I will argue that while there are certainly political and economic components that are pertinent to the identity of the Nordic Model, the underlying factor that exclusively applies to Scandinavia, and that both presupposed and sustains the regime, is social homogeneity. I will maintain that social homogeneity extends beyond phenotypic resemblance to include ethnicity, native language, and religion, and will show how Scandinavia was able to maintain social homogeneity while there was rapid immigration and multiculturalization in other European welfare states.

Since Scandinavia was able to remain socially homogenous during a period of drastic continental changes, the Nordic Model crystallized in Scandinavia and gained international recognition for the historic success of its generous welfare system. Such international appraisal has exhibited itself in various international politicians seeking to implement aspects of the Nordic Model into their own regime.

I contend, however, that the Nordic Model was only feasible as a government regime due to expansive and concentrated **homogeneity** in Scandinavia.

Furthermore, I will discuss why this Scandinavian regime, although its title will remain consistent, is no longer sustainable due to influxes of immigration and newfound multiculturalism. Essentially, the threat to Scandinavian homogeneity, as caused by immigration to the Nordic region, is a threat the Nordic Model of social democracy, as it

is understood today. I will show the negative impact of social diversity by examining Scandinavia's social capital with Halvorsen's notions of particularized trust versus generalized trust and how they relate to a homogeneous population versus a heterogeneous one.

However, despite the inherent threat to the universalism of the Scandinavian welfare system, the Nordic people identify so strongly with the values and anthropological pillars upon which the regime is predicated – universalism, solidarity, and egalitarianism – that the legacy of the “Nordic Model” will survive through its name, while the government races to keep up with changing times and increasing multiculturalism while gradually making minor tweaks to the regime.

### ***What is the Nordic Model of Social Democracy?***

The idea that there is substantial enough distinction between Scandinavia's welfare state and that of, say Germany or France, to merit an entirely separate classification has not been blindly accepted by all academics.<sup>1</sup> Is there actually a “Nordic Model” of the European welfare state regime that is unique to Scandinavian countries? The idea of a welfare state is pretty self-explanatory, so what makes the Nordic model more complex and individualistic than others?

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<sup>1</sup> Edlund, Jonas. 1999. *Trust in Government and Welfare Regimes: Attitudes to Redistribution and Financial Cheating in the USA and Norway*. Umeå, Sweden: European Journal of Political Research.  
Iversen, Torben. 1998. *The Choices for Scandinavian Social Democracy in Comparative Perspective*. In *Oxford Review of Economic Policy Limited*, 14(1).  
Ka, Lin. 2001. "Chinese Perceptions of the Scandinavian Social Policy Model." In *Social Policy Administration*, 35(3).

The Nordic Model of social democracy has been both renowned and critiqued to great extents on the international scale; it has at times has been referred to as a governmental “Utopia sustained,”<sup>2</sup> while at others has been labeled as “cuddly Capitalism.”<sup>3</sup>

In the United States, government officials, academics, and some of the citizenry have published everything from opinion editorials in both left and right-leaning publications to extensive dissertations and journals about the historic successes of the Scandinavian model. From a social, economic, and political standpoint, there are several identifying features of the Nordic model<sup>4</sup> that have formerly been so successful in Scandinavian countries, that in turn seem to be an obvious solution to the political and societal issues rampant in the United States.<sup>5</sup> Whether it’s the strikingly high levels of labor force participation despite such high taxation rates, or the unusually low levels of interclass conflict and struggle, aspects of the “utopian” Nordic Model have led many politicians and voters to believe that the “Swedenization” of the American welfare system is the magical answer to American inequality and civic unrest.<sup>6</sup> Some revere the strikingly high levels of labor force participation despite such high taxation rates, while others marvel at the unusually low levels of interclass conflict and struggle.

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<sup>2</sup> Thorsen, Dag Einer, Nik Brandal, and Øyvind Bratberg. 2015 “Utopia Sustained: The Nordic Model of Social Democracy.” *Australian Options*, 80.

<sup>3</sup> Acemoglu, Daron, James A. Robinson, and Thierry Verdier. 2012 "Choosing Your Own Capitalism in a Globalised World." *Global Economy: Welfare State and Social Europe*.

<sup>4</sup> Alestalo, Matti, Sven E.O. Hort, and Stein Kuhnle. 2009. “The Nordic Model: Conditions, Origins, Outcomes, Lessons.” *Hertie School of Governance – Working Papers*, vol. 41.

<sup>5</sup> Leach, Graeme. 2014. "Forget Nordic Socialism: Welfare Didn't Make Scandinavia Rich." *City A.M.*

<sup>6</sup> Miks, Jason. 2013 “What Sweden Can Teach America.” *CNN: What In The World*. (<http://globalpublicsquare.blogs.cnn.com/2013/09/07/what-sweden-can-teach-america/>).

However despite its own classification, the countries of Scandinavia are not unique compared with their European counterparts in that they are characterized by a socially-democratic welfare state. In fact, the Nordic region was shadowing the political movements and socioeconomic revolutions that occurred throughout Western Europe in the early twentieth century when first implementing the regime.

### ***Origin of Nordic Model & Cross-National Influences***



*A basic map of Scandinavia in Northern Europe, © Owl and Mouse 2008.*

Prior to World War I, the Great Powers in Europe were fueled, to a large extent, by imperialistic and totalitarian regimes. In Italy, Benito Mussolini founded and spearheaded *Fascisti di Combattimento*, the authoritarian Fascist regime; upon the adoption of the Weimar Constitution, Adolf Hitler suppressed Germany to dictatorship; Communism was on the rise in the Russia; Great Britain, the most advanced and prosperous at the time, was coveted by the emerging authoritarians and soon

to be placed at the center of the Great War.<sup>7</sup> Simultaneous to these globalizing regime changes among European Great Powers, Scandinavian countries were internally concentrated and domestically focused on Norway and Denmark seeking independence from Sweden, and as a result, they maintained strict neutrality throughout World War I.<sup>8</sup> Thus, how and why did Scandinavian countries initiate the development of Social

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<sup>7</sup> Mau, Steffen, and Benjamin Veghte. 2007 "Social Justice, Legitimacy and the Welfare State." Ashgate Publishing, Ltd.

<sup>8</sup> Edsall, Thomas B. 2013 "Why Can't America Be Sweden?" *The Opinion Pages. The New York Times.*

Democracy paralleled to the rest of Western Europe? And how does this explain the distinction between the Nordic model and other European Social Democracies?

Geographically speaking, Scandinavia is a cultural-linguistic region in Northern Europe comprised of, undisputedly,<sup>9</sup> Norway, Sweden and Denmark. Since the early half of the twentieth century, these three countries have continued to develop socially democratic regimes that may vary with respects to how it is exercised within each country, but generally share the distinct features. The notion of a “Nordic” or “Scandinavian model” is used interchangeably with “Nordic” or “Scandinavian welfare regime type,” which denotes the fundamentality of the welfare state in defining the Nordic model.<sup>10</sup> The Nordic Model has been defined by the following accepted assets:<sup>11</sup>

1. Universalist welfare and complete redistribution of income as the key features of the “Nordic-ness” of the Scandinavian regime<sup>12</sup>
2. The three anthropological pillars that support the universality of welfare and explain the people’s “path-dependency” on the unique classification
3. High levels of generalized, collective trust between the Scandinavian citizenry, in conjunction with similar levels of particularized trust (institutional confidence)

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<sup>9</sup> Not including Finland on purpose because Finland’s association with the other 3 countries under the umbrella of Scandinavia is argued and debated, therefore would undermine the Scandinavian solidarity between the other 3 that I discuss throughout my essay

<sup>10</sup> Alesalo, et. al, page 10.

<sup>11</sup> Esping-Andersen, Gosta, and Kees Van Kersbergen. 1992 "Contemporary Research on Social Democracy." In *Annual Review of Sociology*, 18(18).

Andersen, Jørgen Goul. 1997. "The Scandinavian Welfare Model in Crisis? Achievements and Problems of the Danish Welfare State in an Age of Unemployment and Low Growth." In *Scandinavian Political Studies*, 20.

<sup>12</sup> Esping-Andersen, and Van Kersbergen.

Andersen, Torben M., Bengt Holmström, Seppo Honkphoja, Sixten Korkman, Hans T. Söderström, and Juhana Vartiainen. 2007. "The Nordic Model: Embracing Globalization and Sharing Risks."

between Scandinavian people and the government<sup>13</sup> – all of which pertains to the examination of Scandinavia's social capital.<sup>14</sup>

### ***Welfare State and the Three Anthropological Pillars of the Nordic Model***

The Nordic model and Scandinavian welfare state are predicated upon the collective attitudes and values embodied in three pillars that upon which the anthropological foundation of the regime is predicated, which are universalism, solidarity, and egalitarianism. These values are exclusively indicative of the Nordic model of Social Democracy and are why it has shown the most success as opposed to other European socially democratic regimes.<sup>15</sup> In governmental and economic research, it is certainly unsettling to attribute the basis of a regime to the intangible sentiments that embody the anthropological definition of the Nordic model. However these intangibles explain why the seemingly idealized Nordic model of universalist welfare has existed in Scandinavia.

### *Universalism & the Universalist Welfare State*

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<sup>13</sup> Delhey, Jan, and Kenneth Newton. 2005 "Predicting Cross-National Levels of Social Trust: Global Patterns or Nordic Exceptionalism?" *European Sociological Review* 21(4).

Esping-Andersen, and Van Kersbergen.

<sup>14</sup> These pillars have been defined and researched as the integral foundation of the Nordic Model, however the accumulation of these three pillars in this research is my own hypothesis.

<sup>15</sup> Andersen, Torben M., Bengt Holmström, Seppo Honkpoija, Sixten Korkman, Hans T. Söderström, and Juhana Vartiainen. "The Nordic Model: Embracing Globalization and Sharing Risks." (2007): n. pag. *Research Institute of the Finnish Economy*. Web.

Halvorsen, Knut. 2007. "Chapter 11: Legitimacy of Welfare States in Transitions from Homogeneity to Multiculturality: A Matter of Trust."

Kangas, Olli, and Joakim Palme. 1993 "Statism Eroded? Labor-Market Benefits and Challenges to the Scandinavian Welfare States." In *International Journal of Sociology*, 22(4).

Universalism is identified as the “cornerstone of the Nordic model.”<sup>16</sup> The universalistic quality of the Nordic system is representative of egalitarian ambitions that initiated the establishment of a Nordic model with a comprehensive welfare state and complete redistribution of income.

The Scandinavian welfare state is known for its generosity in both the expansive list of welfare coverages and the universality of to whom the coverages apply. Everybody receives the exact same benefits from the central government to ensure everybody is presented with equal opportunity.

Universalist welfare juxtaposes the welfare system that the majority of welfare states impose: selective welfare. Selective welfare is the idea that only those who are in *need* of the welfare benefits qualify for welfare coverage and are in the lowest socioeconomic class.<sup>17</sup>

Universalism, as it pertains to the welfare system in Scandinavia, is predicated upon a general notion of collectivism amongst the citizenry. The idea is that all Scandinavians share the same values and goals for their country and therefore are willing

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<sup>16</sup> Andersen, Torben M., Bengt Holmström, Seppo Honkphoja, Sixten Korkman, Hans T. Söderström, and Juhana Vartiainen. "The Nordic Model: Embracing Globalization and Sharing Risks." (2007): n. page 66. *Research Institute of the Finnish Economy*. Web.

Andersen, Jørgen Goul.

Kangas, Olli, and Joakim Palme. "Statism Eroded? Labor-Market Benefits and Challenges to the Scandinavian Welfare States." In *International Journal of Sociology*, 3-24. 4th ed. Vol. 22. Stockholm, Sweden: M.E. Sharpe, 1993.

<sup>17</sup> Legrain, Philippe. "Is Free Migration Compatible with a European-Style Welfare State?" Ed. Nina Rosenkvist. Comp. Edita, Västerås. *London School of Economics, European Institute Expert Report Nr. 11* (2008): n. pag. *Sweden's Globalisation Council*. Web.

Mau, Steffen, Christoph Burkhardt, Peter Taylor-Gooby, and Rose Martin. "Ethnic Diversity and Welfare State Solidarity in Europe." *Prepared for the AGF Midpoint Conference 2007, Berlin* (2007): n. pag. *University of Bremen, Graduate School of Social Sciences*. Web.

The Economist. "Immigrants: The Ins and the Outs (Immigration and Growing Inequality Are Making the Nordics Less Homogenous)." *Special Report: The Nordic Countries*. The Economist, 2 Feb. 2013. Web. 9 May 2015.



to take an invested risk in the welfare system and expect that the outcomes of that will benefit everyone equally.<sup>18</sup>

The Nordic model imposes particularly high risks upon those who also benefit from the system, financing its extensive services with high taxes.<sup>19</sup> Encompassed in the Nordic welfare model are as listed below:<sup>20</sup>

- Social Security Benefits & Social Services
  - Free Education (elementary – higher education)
  - Child & Elderly Care
  - Universal Healthcare
  - Research & Development
- Public Pension Plans

The high rates of taxation that fund these social services are predicated on an individual's income, in order to refurbish the redistribution of income. Individuals with significantly higher income take the most risk in this system, as it is probable that they are spending much more on the system than they are receiving in welfare benefits. Nevertheless, this risk factor is indicative of the collective egalitarian ambitions of the Scandinavians.<sup>21</sup>

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<sup>18</sup> Esping-Andersen, Gosta, and Kees Van Kersbergen. "Contemporary Research on Social Democracy." In *Annual Review of Sociology*, 187-208. 18th ed. Vol. 18. Annual Reviews, 1992.

Andersen, et. al.

<sup>19</sup> Andersen, Jørgen Goul. "The Scandinavian Welfare Model in Crisis? Achievements and Problems of the Danish Welfare State in an Age of Unemployment and Low Growth." In *Scandinavian Political Studies*. 1st ed. Vol. 20. Aalborg Ø, Denmark: Scandinavian University Press, 1997.

<sup>20</sup> Alestalo, et. a.

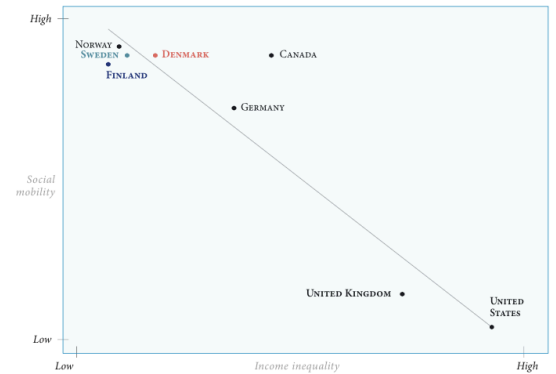
Esping-Andersen, and Van Kersbergen.

<sup>21</sup> The Economist. 2013. "Immigrants: The Ins and the Outs (Immigration and Growing Inequality Are Making the Nordics Less Homogenous)." *Special Report: The Nordic Countries*. *The Economist*.

As a result of the universality of the Nordic model, Scandinavia has remarkably high levels of interclass mobility in comparison to other democratic regimes.<sup>22</sup> Education is financed by welfare; therefore equal education is given to all children regardless of the socioeconomic standings of the parents. This allowed for a dynamic social class mobility that is unparalleled in other countries.<sup>23</sup>

#### HIGH SOCIAL MOBILITY

Correlation between social mobility and income inequality



Both social mobility and income equality is high in the Nordic countries. This shows that it is much easier to live out "the American dream" in the Nordic countries than in the United States or the United Kingdom

(©Pettersen, Silje Vatne, Lars Østby, Statistics Norway, Statistics Denmark, and Statistics Sweden. "Immigrants in Norway, Sweden and Denmark." Skandinavisk Komparativ Statistikk Om Integrering Innvandrere I Norge, Sverige Og Danmark, 2013.

#### Solidarity

Hand in hand with the universalist nature of the Nordic welfare state is the second anthropological pillar, solidarity.<sup>24</sup> Solidarity is also rooted in the presupposed shared values and attitudes amongst the people that, as mentioned above, make the welfare system possible. To be in solidarity with your fellow citizen is to feel a mutually strong affiliation with the country to the extent that both want the same benefits for the country and are both willing to take an invested risk to see it happen.<sup>25</sup>

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Delhey, and Newton.

<sup>22</sup> Andersen, Jørgen Goul.

<sup>23</sup>Mau, Steffen, Christoph Burkhardt, Peter Taylor-Gooby, and Rose Martin. 2007. "Ethnic Diversity and Welfare State Solidarity in Europe." Prepared for the *AGF Midpoint Conference 2007, Berlin*.

Delhey, and Newton.

<sup>24</sup>Andersen, Jørgen Goul.

<sup>25</sup>Mau and Veghte.

Halvorsen.

Leach.

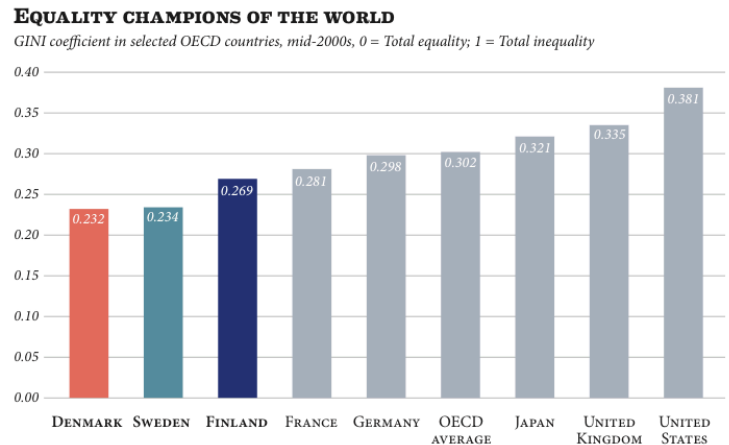
Esping-Andersen and Van Kersbergen.

Scandinavian solidarity is a strongly rooted value amongst Nordic citizens as it is both the foundation of and a result of the welfare system. A strong sentiment of connection or relationship with the rest of the country’s population is the basis of solidarity – “we are all Scandinavians and we all want the same things for the betterment of our country; therefore I will pay these high taxes to ensure that you and I – and all Scandinavians! – receive equal benefit from the government.”

And in addition to social benefits, the universalist nature of the welfare system enhances and strengthens the trust and connection Scandinavians feel towards one another. In essence, solidarity encourages the implementation of universalism in welfare benefits, which in turn perpetuates that same solidarity amongst citizens.<sup>26</sup>

*Egalitarianism*

In America, the terms welfare and welfare state tend to carry with them an intrinsically negative connotation, implying a notion of “public assistance.”<sup>27</sup> The American perception of welfare is that it is only allocated to “assist” those who are not or cannot work; those who contribute to the system do not benefit at all. Thus, the American connotation of welfare just further drives a wedge between



©Pettersen, Silje Vatne, Lars Østby, Statistics Norway, Statistics Denmark, and Statistics Sweden. "Immigrants in Norway, Sweden and Denmark." *Skandinavisk Komparativ Statistikk Om Integrering Innvandrere I Norge, Sverige Og Danmark, 2013.*

<sup>26</sup> Mau and Veghte. Halvorsen.

<sup>27</sup> Allardt, Erik. 2014 "Dimensions of Welfare in a Comparative Scandinavian Study." In *Acta Sociologica*, 19(3). Page 227.

socioeconomic classes as opposed to those of the Nordic model. In accordance with the Nordic model, the welfare state denotes the public financing of social benefits – such as social security, education and health – in reference to the state of need-satisfaction within a national citizenry. The characterization of “need-satisfaction society” points more to the egalitarian ambitions that distinguish the Nordic model from all other European models.<sup>28</sup>

Equality is the fundamental basis for collective trust amongst the citizenry, as well as between the people and the state, which is discussed below.

### ***Nordic Model: Too Good To Be True***

Why hasn't every country in the world mirrored Scandinavia's reforms and adopted the Nordic model of social democracy? If Scandinavia truly embodies the “utopia” of representative democracy, then why can't other nations – other *socially democratic* nations – implement the Nordic model into their regime?

As discussed in the introduction, it is a little unnerving to place faith in anthropological values and attitudes when explaining the foundation of an entire governmental regime. Therefore, there must be some form of underlying factor – an invisible fourth pillar – that embodies the Nordic Model and its individual characteristics.

The invisible fourth pillar – the raw base underneath all steps towards and aspects of the Nordic Model – is homogeneity.

Homogeneity can be categorized by any number of features with which people identify and define themselves. In the case of Scandinavia, the homogeneity of the Nordic population was undeniably the most significant and determinant when in comparison to

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<sup>28</sup> Ibid. Page 231.

other European welfare states. As discussed below, external geographic factors allowed Scandinavia to remain distinct from its European counterparts. While Germany, France and Italy were struggling to integrate and accommodate new, unprecedented volumes of ethnically diverse immigrants, Scandinavia hardly saw any new immigration. Therefore, Scandinavia sustained a homogenous, native Nordic population, and with such, this “utopian,” socially democratic regime that is rooted in cultural homogeneity.

### ***Homogeneity in the Scandinavian Context***

Milton Friedman contended, “The Scandinavian economies have a very small homogenous population. That enables them to get away with a great deal they couldn’t otherwise get away with. What works for Sweden won’t work for France or Germany or Italy.”<sup>29</sup>

When considering interpersonal identity congruities in the context of the Scandinavia, homogeneity is the conglomerated composition of like genotypic, phenotypic and ideological characteristics. Overall and specific identifiers of homogeneity can be measured by fractionalization. Together, Alberto Alesina, Arnaud Devleeschauwer, William Easterly, Sergio Kurlat, and Romain Wacziarg conducted various studies in which they measured fractionalization in over one hundred and eighty countries. Fractionalization is the probability that two citizens of the same country, picked at random, are members different “groups.” The separation of groups are ethnic, religious and linguistic fractionalization; and the closer to zero a country’s measurement

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<sup>29</sup> Leach. Web.

is, the more homogenous that population is.<sup>30</sup> Thus, in inverting these findings, homogeneity will be measured in accordance with the following precepts:

1. *Ethnic Homogeneity*. Oxford defines ethnicity as the “belonging to a social group that has a common national or cultural tradition.”<sup>31</sup> All Scandinavian natives share starkly similar, if not the same ethnic backgrounds. Although within Scandinavia, individuals can identify with their respective country, that sentiment is primarily one of patriotism or nationalism. The historical presets that determine the common cultural traditions that could then denote population homogeneity occurred at a broader level seeing as Norway and Denmark did not separate from Sweden until 1905.<sup>32</sup>
2. *Linguistic Homogeneity*. In many cases, ethnicity can be quite ambiguous and difficult to classify based on the historic notion that ethnicity is a person’s “race origin.” Scandinavia is a great example of an ambiguous ethnic identity that could be misinterpreted without another cleavage of classification such as languages. While Swedish, Danish and Norwegian are similar and share the same roots, they are still different languages. Thus not all native Scandinavians that share the same ethnicity share the same language as well. Additionally, northern regions of Norway and Sweden that are inhabited by indigenous tribes would fall under separate ethno-linguistic classifications. Linguistic homogeneity is the extent to

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<sup>30</sup> Alesina, Alberto, Arnaud Devleeschauwer, William Easterly, Sergio Kurlat, and Romain Wacziarg. 2002. “Fractionalization.” *National Bureau of Economic Research*.

<sup>31</sup> Oxford Dictionary

<sup>32</sup> GlobalSecurity.org

which two random individuals picked from a crowd of citizens are from the same linguistic background.<sup>33</sup>

3. *Religious Homogeneity*. Religion is crucial for the study of homogeneity because religion is an identifying feature that individuals have the liberty to alter throughout their lives. Scandinavian religious homogeneity has been described as the common practice of a “watered-down version of Protestantism.”<sup>34</sup>

To be clear, this study of Scandinavian homogeneity and its possible effects on the Nordic regime is not a discussion of eugenics, nor are the theories only unique to Scandinavian homogeneity. Historically, especially during World War II, eugenics has been an important feature of cultural identity. Furthermore, the stereotypical Scandinavian “look” – pale complexion, blonde hair and blue eyes – fits the description of Nazi Germany’s infamous “perfect race.” Therefore I wanted to elucidate that all discussion and theorization going forward does not include any reference to any such “Nordic race” or phenotype, but rather, would be applicable to other homogenous states as well.

COUNTRY	ETHNIC FRACTION - ALIZATION	LINGUISTIC FRACTION- ALIZATION	RELIGIOUS FRACTION- ALIZATION	DATE OF DATA
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<sup>33</sup> Alesina, et. al.

<sup>34</sup> The Economist. "Immigrants: The Ins and the Outs (Immigration and Growing Inequality Are Making the Nordics Less Homogenous)."

Halvorsen.

Stærk, Bjørn. 2013 “Norway’s Choices.” *World Policy Institute*. Web.

Denmark	<i>0.0819</i>	<i>0.1049</i>	<i>0.2333</i>	<i>1996</i>
Norway	<i>0.0586</i>	<i>0.0673</i>	<i>0.2048</i>	<i>1998</i>
Sweden	<i>0.0600</i>	<i>0.1968</i>	<i>0.2342</i>	<i>1998</i>
France	<i>0.1032</i>	<i>0.1221</i>	<i>0.4029</i>	<i>1999</i>
Germany	<i>0.1682</i>	<i>0.1642</i>	<i>0.6571</i>	<i>1997</i>
United Kingdom	0.1211	0.0532	0.6944	1994
United States of America	0.4901	0.2514	0.8241	2000
Mean Scandinavian Ethnic Fractionalization			<i>0.0668</i>	
Mean Scandinavian Linguistic Fractionalization			<i>0.1230</i>	
Mean Scandinavian Religious Fractionalization			<i>0.2241</i>	

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In contrasting the proportions of homogeneity in Scandinavia with those in other European welfare states, as well as America, it is immediately clear that Scandinavia is significantly more homogenous. In particular, Scandinavian countries are notably less ethnically and religiously diverse in cross-national comparison. The average probability that two randomly selected individuals in Scandinavia are members of different ethnicities is about 6%; otherwise stated as Scandinavia is 94% ethnically homogenous. In America, however, homogeneity is closer to 50%.

Results are similar with linguistic and religious homogeneity. Linguistic homogeneity in Scandinavia is averaged at about 88% homogeneous, compared to 75% in America and 47% in the United Kingdom. And lastly, there is an 88% chance that two

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<sup>35</sup> Alesina, et. al.



random individuals in Scandinavia identify as the same religion, but in the United States, that chance is 22%.

Fractionalization shows that the all-encompassing effect of homogeneity in Scandinavia can be supported with numerical and statistical evidence, and is especially evident when compared to other countries. Two people picked at random in Scandinavia are significantly more likely to share the same “roots” – speaking the same language, sharing the same ethnic background and practicing the same religion. Later in the paper, it will be discussed how this degree of cultural sameness cultivates a certain level of trust amongst the citizenry not seen between more heterogeneous populations. And when it is all boiled down, that trust amongst homogenous populations is the oil that keeps a universalist welfare system machine running.

### ***Maintenance of Homogeneity in Scandinavia During Global Multiculturalism***

Population homogeneity is an undeniable component to the Scandinavian regime, but how does that merit being an entirely separate classification of social democracy, the Nordic Model? How does homogeneity really make a difference?

Scandinavia has historically been able to maintain concentrated homogeneity due to its geographic isolation, climate and a lack of incentive for outsiders to immigrants to migrate there.<sup>36</sup> Scandinavia is primarily a peninsula separated from the rest of Europe by the Baltic and North Seas; Norway and Sweden make up the peninsula, while Denmark is located slightly south, connected to Sweden via a bridge over the strait. Without the modern transportation technology we enjoy today, access to Scandinavia was

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<sup>36</sup> Andersen, Jørgen Goul.

difficult – particularly for those without much money – because to access nearly eighty-percent of the Scandinavian border, one must cross over a large body of water. Without a personal or economic motive to trek up to Northern Europe, there was not too much incentive for foreigners to migrate there.

In addition to geographic location, Scandinavia is branded with an undesirable climate. The entirety of the region extends north beyond the borders of the Arctic Circle, marking the countries with a tundra climate and glaciers that run into subzero glacial lakes or streams. Being located so far north from the equator also affects the hours of sunlight seen during each season as well. During the summer the Sun will only set for about four hours, and yet the temperature hardly surpasses sixty-five-degrees Fahrenheit in the middle of the warmest summer month.

On the other hand, the winter tends to see an approximate mere four hours of sunlight per day with temperatures reaching far below zero. The remainder of the day is chilling darkness and freezing, sharp cold, during which people must continue their daily routines and work schedules. For those who have never experienced such an intense longevity of darkness, Scandinavian winters can take a major emotional toll; it certainly detracts from the nations' desirability to foreigners.

As opposed to turning outward and working to attract more international migration to the region, the Scandinavian countries responded to the lag in multiculturalism by shifting concentration to internal Scandinavian affairs.<sup>37</sup> Therefore the three homogenous, socially democratic values that presupposed the implementation

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<sup>37</sup>Cox, Robert. 2004. "The Path-Dependency of an Idea: Why Scandinavian Welfare States Remain Distinct." In *Social Policy & Administration*, 38(2).  
Esping-Andersen and Kees Van Kersbergen.  
Leach.

of the system of governance was coupled with a strict focus on continuing to enhance the Nordic model as opposed to advertising for immigration and ethnic diversity. And for the Scandinavian people, this governmental tendency to place the needs of the citizenry above commercializing migration to outside actors further enhanced the particularized trust relationship between the state and the people, which then strengthened the people's trust in the Nordic model.<sup>38</sup>

### ***Homogeneity & Social Trust***

As stated above, homogenous populations generate a mutual trust that serves as a foundation of the Nordic Model. Higher population homogeneity implies the inclination to trust your fellow citizen and have confidence in the government to benefit the people to the best of their capability.<sup>39</sup> Social trust is divided into two distinct classifications, but that both positively correlated to population homogeneity.

- A) Generalized Trust: the interpersonal trust between individuals of the same citizenship.

**Table 11.1 Mean trust scores by regime type**

Regime type	Mean trust scores	N	Standard Deviation
Social democratic	6.45	1916	1.59
Liberal	5.41	5653	1.73
Conservative*	5.06	14465	1.74
Latin-rim	4.45	9622	1.91
Former Socialist	4.01	4676	1.88
Total	4.89	36332	1.89

*Source: ESS 2002, weighted sample.*  
*Note: \* Germany includes the former socialist country East Germany. Yet, there is no significant difference in average mean scores between East and West Germany (results not presented). F= 926,97, df: 4, sign. 0.000.*

*Table 11.1 Socially democratic regimes (which refers specifically to Sweden, Denmark and Norway) exhibit the highest level of generalized social trust in the world. ©Halvorsen, 2007, page 246.*

<sup>38</sup> Delhey and Newton.

<sup>39</sup> Halvorsen.

B) Particularized Trust: an institutional trust that an individual has for their government – is indispensable to the legitimacy and sustainability of the Nordic model. Specific to Scandinavia, particularized trust is the level at which Scandinavians trust Nordic regime to implement universalist, solidarity, and egalitarian public policies that benefit everybody without falling subject to the temptation of political corruption.<sup>40</sup>

In examining Scandinavia's social capital, Halverson delineated a positive trend between social trust and homogeneity, indicating that the welfare states with the highest level of generalized trust for the fellow citizen were the Scandinavian countries due to concentrated and irrefutably significant levels of homogeneity in Scandinavia.

This trend therefore explains the dichotomy between the very high-generalized trust that Scandinavians feel interpersonally with their fellow citizen, and the lack of trust felt toward non-Scandinavians, who are perceived as exclusively socializing within their own smaller sub-communities. The almost universal conviction is that the causal factor of distrust towards immigrants is a history of immigrants exploiting and manipulating the universalist welfare system.<sup>41</sup>

Statistical surveys completed in separate arenas cross-nationally discovered that all welfare state regimes internationally, with the exception of one regime, believe with conviction that immigrants cannot be trusted in a generous and universalist society because they will exploit the welfare system and use it for malicious gain. In this study –

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<sup>40</sup> Delhey and Newton, Pages 311-312.

<sup>41</sup> Ibid.

with results based on attitudinal taps into sentiments about immigrants and ethnic diversity – Halverson noted that in general, regardless of regime type, most nations agreed upon an inherent distrust in immigrants and a tendency to shy away from ethnic diversity. However the Scandinavians with sweeping universalist values and trust-seeking policies, exhibited the most confidence in the fact that immigrants exploit the welfare system and the most exuberance for distrusting foreign residents.

**Table 11.3 Immigrants take out more than they put in by trust and regime type (Mean scores: Score 00 = Generally take out more to 10 = Generally put in more)**

	High-trust	Medium-trust	Low-trust	Total
Social				
democratic	4.74	4.18	3.64	4.44
Liberal	4.37	3.85	3.10	3.91
Conservative	4.66	4.05	3.39	4.05
Latin-rim	5.20	4.94	4.33	4.79
Former socialist	4.32	4.19	3.50	3.93
Overall	4.68	4.27	3.72	4.23

*Source: ESS 2002 (weighted sample).*

*Note: N= 27 322.*

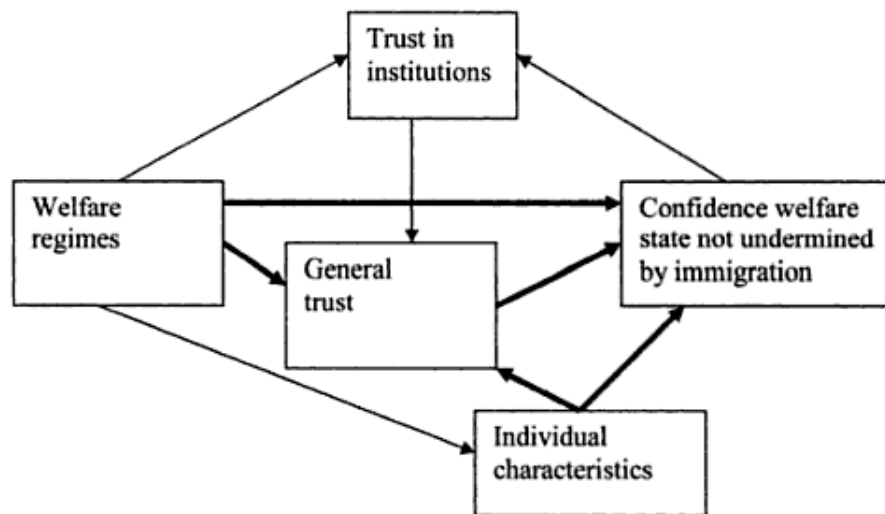
*Trust: F=273.10, df. 2, sign. 0.00.*

*Regime type: F= 227.07, df. 4, sign. 0.00.*

*Table 11.3: Scandinavian social democracies are the most convicted in stating that immigrants take more out of the welfare system than they put in. Therefore Scandinavian countries have the highest amount of distrust for immigrants. ©Halvorsen, 2007, page 250.*

To combat Scandinavians’ innate lack of confidence in foreigners and sustain the universalist welfare system with high immigration rates, natives would be inclined to develop a generalized trust for immigrants. According to Halvorsen, developing a generalized trust in “strangers” requires face-to-face interactions, but such interactions

are highly unlikely.<sup>42</sup> Humans have a natural and immediate tendency to search for and settle in our comfort zone within sub-communities with whom we share the same identity. Sub-community identities primarily include ethnicity, language and religion.<sup>43</sup>



**Figure 11.1 Theoretical model of associations between welfare regimes, individual characteristics and trust and confidence**

© Halvorsen, 2007, page 239

### *Generalized Trust*

In the context of social capital, generalized trust is based on real, human interactions with other individuals and is defined as the trust one feels towards those who are also members of the same homogenous citizenry.<sup>44</sup>

<sup>42</sup> Halvorsen.

<sup>43</sup> Scharpf, Fritz W. 1997. *Employment and the Welfare State: A Continental Dilemma*. Cologne, Germany: Max Planck Institute for the Study of Societies.

<sup>44</sup> Halvorsen.  
Delhey and Newton.

As touched upon in the Universalism & Universalist Welfare subsection, a generalized trust is key to the successful implementation of the unique Nordic model regime because the universalist welfare system and redistribution of income are dependent upon those who pay the highest taxes that are redistributed and go towards the welfare system. And in order to make such possible, there must be a generalized trust that the receiver of the benefits is not exploiting the welfare system and visa versa.

Milton Friedman asserted that “in a homogenous culture, (the people) are willing to pay higher taxes”<sup>45</sup> in the interest of “*folkviljans förverkligand*” (the people’s collective will). Homogeneity implies familiarity, trust and, principally, solidarity; it implies “*folkemmet*.” And that solidarity between (homogenous) people who all feel mutually strong sentiments of connection and familiarity to the nation is the foundation upon which the Nordic welfare state has been able to prevail in Scandinavia.<sup>46</sup>

Nonetheless, this theory is predicated on the demographics of immigrants entering Scandinavia and benefiting from the Nordic social welfare. Hypothesizing parallel to Friedman’s logic, if citizens are presented with an opportunity to *freely* migrate to a rich country and be assured that they will benefit from that country’s social welfare, then there is a high probability that they will take that opportunity. And while the benefit is monumental for the immigrant, it thus places a financial burden on the rich country’s

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<sup>45</sup> Brimelow, Peter. 1997. “Milton Friedman at 85,” *Forbes*.

Legrain, Philippe. 2008. "Is Free Migration Compatible with a European-Style Welfare State?" Ed. Nina Rosenkvist. Comp. Edita, Västerås. *London School of Economics, European Institute* Expert Report Nr. 11. Page 7.

New Perspectives Quarterly. 2006. Interview with Milton Friedman, “Free Markets and the End of History,” Web.

<sup>46</sup> Amnå, Erik. 2006. *Playing with Fire? Swedish Mobilization for Participatory Democracy*. Cambridge, UK: Journal of European Public Policy.

tax-paying citizens who fund the welfare system, which will, in effect, lead to a decline in political and economic support for the now unsustainable universalist welfare system.<sup>47</sup>

Solidarity, which breeds generalized trust between citizens, is the key to birthing a universalist social welfare system. And in the case of Scandinavia, solidarity was founded on homogeneity. Scandinavia's "old identity was built on sameness – the same skiing vacations, the same watered down secular Protestantism, and the same national origin story."<sup>48</sup>

In a psychoanalytic study of population surveys conducted in Denmark – where the immigration policies are the most stringent in all of Scandinavia – researchers Joel Anderson and Radka Antalíková concluded that while native Danes do not exhibit dramatically negative explicit attitudes towards immigrants, their implicit attitudes denote a different sentiment – and one that is predicated on the perceived religious affiliations of immigrants.

The test subjects – a controlled sample of native Danes – were presented with various stimuli (words), that could either be linked to the words "positive" or "negative." Stimuli such as "glad, Danish and Caucasian" all evoked positive explicit and implicit responses. Whereas stimuli like "immigrant and Muslim" induced a positive explicit response, yet an increasingly negative implicit response. Moreover, the "Muslim" stimuli proved to evoke a more negative attitude than simply "immigrant."<sup>49</sup>

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<sup>47</sup> Legrain, 2008.

<sup>48</sup> Stærk, Web.

<sup>49</sup> Anderson, Joel, and Radka Antalíková. 2014. "Framing (implicitly) Matters: The Role of Religion in Attitudes towards Immigrants and Muslims in Denmark." *Scandinavian Journal of Psychology*, 55.



Anderson and Antalíková’s results indicate that immigration has led to a particular level of discomfort amongst native Danes and a newfound, yet innate distrust towards foreigners. Furthermore, such distrust was proven most concentrated on a specific demographic of immigrants: those who are perceived to affiliate with the Muslim faith.

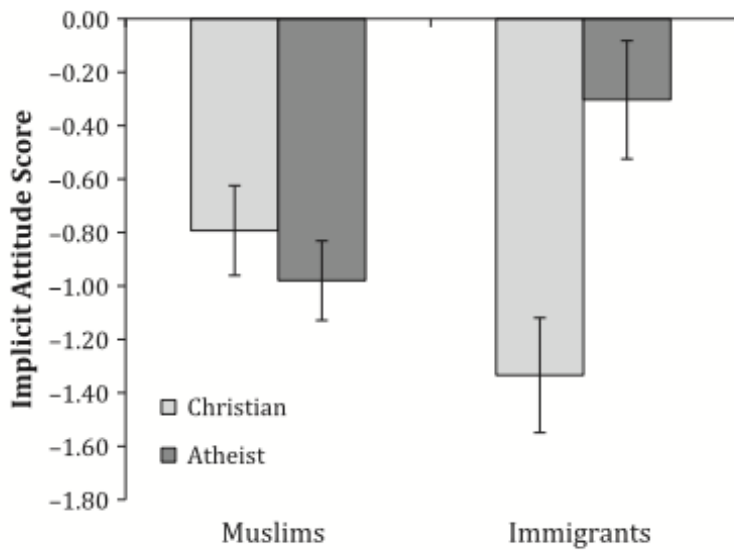


Fig. 1. Implicit mean and standard error attitude scores toward targets framed as Muslims or immigrants as a function of the participants religion.

©Anderson, Joel, and Radka Antalíkova, 2014.

Danes are a matter of misperception.

This research is not in any way arguing, or condoning the problematic perception that the Islam religion, or Muslim immigrants are exploiting Scandinavia’s welfare system and thus are to blame for the eventual collapse of the Nordic model. Immigrants from such heavily concentrated Muslim nations do represent most of the foreign population that is settling in Scandinavia and threatening Scandinavian homogeneity. And that is simply because such individuals cannot mold to the historic tradition of Scandinavian “sameness” that roots from ethnic and religious homogeneity.

As will be discussed below in the Immigration section of this research, the vast majority of immigration to all three Scandinavian countries is from countries that are heavily Muslim, most tallying at over ninety-seven percent. Thus it must be recognized that immigrants coming from such countries do not all practice Islam and the negative implicit attitudes they may evoke in native

### Confidence in Government, Particularized Trust

When satisfactory social services are received, the people reciprocate by stabilizing their trust in the government and backing its institutions, which further legitimize the welfare state, and thus the Nordic Model.<sup>50</sup>

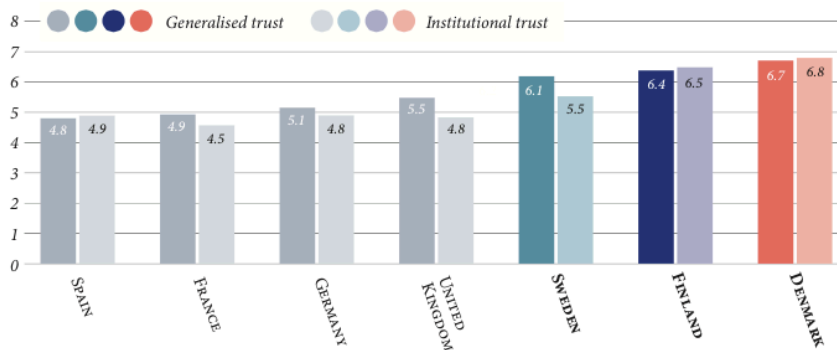
Former Swedish

Prime Minister Per-Albin

Hansson's metaphor, "folkhemmet"<sup>51</sup> (people's home), best encompasses the nature of generalized trust and institutional confidence in government. The "people's home" incorporates

#### HIGHEST LEVELS OF TRUST IN THE WORLD

Generalised and institutional trust



©Petersen, Silje Vatne, Lars Østby, *Statistics Norway, Statistics Denmark, and Statistics Sweden. "Immigrants in Norway, Sweden and Denmark." Skandinavisk Komparativ Statistikk Om Integreering Innvandrere I Norge, Sverige Og Danmark, 2013.*

individual, yet mutual, sentiments of "safety, solidarity, and equality as well as homogeneity, similarity, localism, and even provincialism,"<sup>52</sup> and it is the duty of the Scandinavian service democracy to ensure these values are met to adequate standards by continuing to improve the Nordic model and by mobilizing the political participation of active citizens.

### Immigration as a Scandinavian Novelty

<sup>50</sup> Amnå.

<sup>51</sup> My translation

<sup>52</sup> Amnå, page 588.

Esping-Andersen, Gøsta. 1985. "Politics Against Markets: The Social Democratic Road to Power."

Relatively recently, much more recently than most other major European countries, immigration to Scandinavia was economically incentivized by Norway's oil resource and Sweden's growing success in manufacturing, as well as importing and exporting.<sup>53</sup> Thus, immigration to the region came in two separate waves. The first wave of immigration occurred in the 1970s when Scandinavia opened its labor market to guest workers, primarily from Pakistan and Turkey, who migrated to Scandinavia to fulfill the demand for manual laborers. Immigrant workers had a tendency to remain introverted from the Scandinavian population by immersing themselves only in communities of other immigrants, or by not making an effort to learn the native languages; however, even if not immersed socially in Scandinavia, the immigrant laborers from the Middle East became instant beneficiaries of the universalist welfare state.<sup>54</sup>

The second wave took place in the 1980s into the 90s, and was comprised primarily of refugees seeking asylum in Scandinavia. When measured per capita, Sweden and Norway are the top two most popular and open refugee destinations in Europe;<sup>55</sup> most likely as a result of generous and universalist welfare benefits for which not much validation is required to receive. In fact, the net immigration rate to Norway and Sweden is currently higher than that of the United States in the late 1800s,<sup>56</sup> indicating that immigration and asylum policies are comparatively loose and the screening process for participation in the welfare state is not at all demanding. In Sweden, the only factor that

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<sup>53</sup> Esping-Andersen and Van Kersbergen  
Alestalo, et. al.

<sup>54</sup> Stærk, Bjørn. 2013 "Norway's Choices." *World Policy Institute*.

<sup>55</sup> Andersen, et. al.

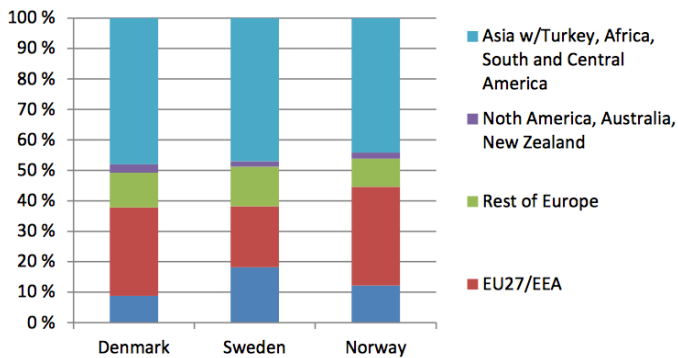
<sup>56</sup> Stærk.

is considered in granting individuals welfare benefits is an “intent” to stay and work in Sweden.<sup>57</sup>

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<sup>57</sup> Ibid.

**Figure 3. Immigrants<sup>1</sup>, by country of birth (region). Norway, Sweden and Denmark. 1 January 2012. Per cent**



© Pettersen, Silje Vatne, Lars Østby, *Statistics Norway, Statistics Denmark, and Statistics Sweden. "Immigrants in Norway, Sweden and Denmark." Skandinavisk Komparativ Statistikk Om Integrering Innvandrere I Norge, Sverige Og Danmark, 2013.*

Presenting proof of legal immigration, of citizenship, or even of residency, is not required when requesting welfare benefits,<sup>58</sup> thus rendering the process of becoming a beneficiary to the welfare

state quite simple regardless of whether or not that beneficiary has any means of or intent to contribute to the system themselves.

According to the Swedish National Board of Health and Welfare, as of 2011, “60.5% of the entire welfare budget was spent on immigrants. [And] since Muslims tend to be hugely overrepresented in welfare handouts all over Europe and the majority of Muslim immigrants tend to be uneducated, we can only conclude that Muslims represent a majority of recipients out of the 60.5%.”<sup>5960</sup>

Furthermore, as of 2014, Sweden – the Scandinavian country with the least strict immigration and refugee policies – was anticipating a flow of more than 80,000 asylum seekers. “Refugees are entering the country [Sweden] at a pace not seen since the

<sup>58</sup> Pettersen, Silje Vatne, Lars Østby. 2013. "Immigrants in Norway, Sweden and Denmark." *Skandinavisk Komparativ Statistikk Om Integrering Innvandrere I Norge, Sverige Og Danmark.*

<sup>59</sup> Swedish National Board of Health and Welfare. Statistikdatabasen, Sweden. Web.

<sup>60</sup> I will restate that it is unclear as to whether or not this “Muslim majority” are simply perceived as and assumed to be Muslim based on the country of their origin, or if this “majority” stems from census data. It is unclear because there is no official census that collects this data, as immigrants are ‘permitted’ to enter the country illegally and still receive welfare benefits without being in government records or Social Insurance Agency records.

breakup of Yugoslavia in the early 1990s, according to the Migration Board in Stockholm.”<sup>61</sup>

The other Scandinavian countries present an almost identical trend in immigration altered by each country’s level of strictness as it pertains to immigration policy. *Statistics Denmark’s* most recent data reports that 2013 brought the highest number of immigrants to Denmark since 1983, summing up to be almost eleven-percent of the country’s population. And of that eleven-percent, nearly sixty-percent are labeled as immigrants originating from “non-Western countries” – primarily Turkey and Iraq where Muslims consist of approximately 99% of the population.<sup>62</sup>

Similarly, in Norway, *Statistisk sentralbyrå, SBB* (Norway’s official government statistics), “almost one in three social welfare recipients in Norway are immigrants, and the proportion is increasing... Between 2002 and 2010, the amount of immigrants among welfare recipients rose from twenty-three to thirty-percent.”<sup>63</sup> Norway has been referred to as the “Nanny-State” due to its immigration policies that allows newcomers to utilize and benefit from the welfare system without reciprocation – as though the government is “babysitting” or “nannying” migrants instead of rendering them independent from dependence on the welfare state.<sup>64</sup> Such has been an overall difficult adaptation for native

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<sup>61</sup> Carlstrom, Johan, and Niklas Magnusson. 2014. "Swedish Nationalists Rise as Influx of Syrian Refugees Grows." Bloomberg.com. Web.

Swedish National Board of Health and Welfare.

<sup>62</sup> Pettersen, et. al.

Anderson and Antalíkova.

United States Central Intelligence Agency. 2015. “*World Factbook: Turkey & Iraq.*”

<sup>63</sup> NewsInEnglish. 2014 “More immigrants on welfare.” Web.

<sup>64</sup> Bawer, Bruce. 2001 "New Challenges to the Nordic Welfare Model." *CATO Policy Report* XXIII.3. Page 1.

Norwegians. “The rapid transition from a monoethnic to a multiethnic society has been difficult, at times traumatic.”<sup>65</sup>

Scandinavia’s appeal to penurious refugees and immigrants fits perfectly into George Borjas’ account of the “magnet hypothesis,”<sup>66</sup> where Scandinavia serves as the epitome of a “magnet.” As it relates to Scandinavian immigration, the magnet hypothesis implies that welfare states will primarily attract poorer people who qualify for welfare benefit, and naturally repel those who would be obliged to pay for more than they receive.<sup>67</sup> Essentially, when looking broadly at patterns of immigration to Scandinavia, the Nordic model predominantly attracts the poorest of people from already impoverished countries who are enticed by the generous welfare benefits. And as impoverished foreigners continue to migrate in bulk to Scandinavia, those who want to migrate to Scandinavia but aren’t in poverty realize that they would be financing the system more than they would benefit from it.

In Sweden, – the least stringent of the Scandinavian countries when it comes to immigration and refugee policies – the primary factor that is considered in granting individuals welfare benefits is an ‘intent’ to stay and work in Sweden<sup>68</sup> Since evidence of legal immigration, of citizenship, or even of official residency, is not asked for when requesting welfare benefits, thus rendering the process of becoming a beneficiary to the Nordic welfare state very simple – regardless of whether or not that beneficiary has any

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<sup>65</sup> Stærk. Web.

<sup>66</sup> Borjas, George. 1999. *Heaven’s Door: Immigration Policy and the American Economy*, Princeton University Press.

Borjas, George. 1999. “Immigration and Welfare Magnets.” *Journal of Labour Economics*, 17 (4), pt. 1, The University of Chicago Press. Page 607.

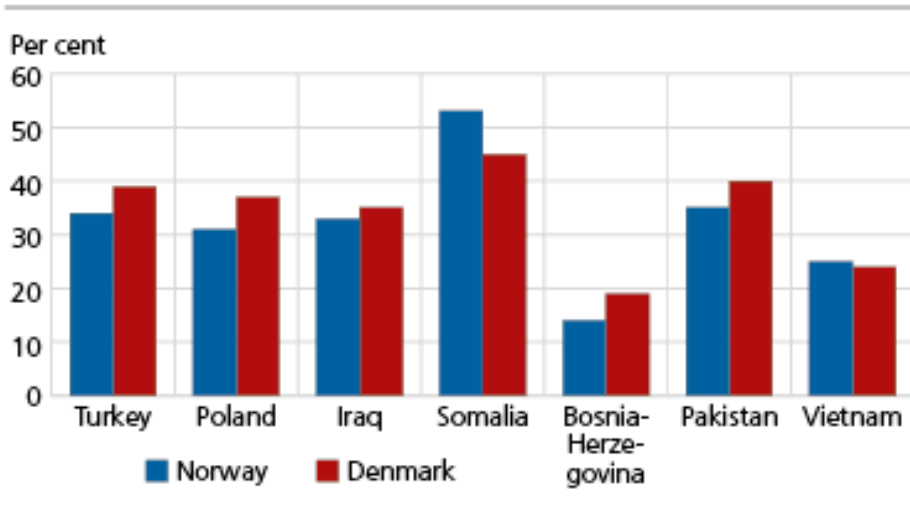
<sup>67</sup> Ibid.

<sup>68</sup> Stærk.

means of or intent to contribute to the system themselves, or just exploit the welfare state<sup>69</sup> – it is no wonder that the net immigration rate to Norway and Sweden is currently higher than that of the United States during colonial 1800s.<sup>70</sup>

The modern Nordic welfare state is based on “need-satisfaction” services, and selectively distributes the most social services to those in need of assistance – primarily the refugees and immigrant laborers who, more often than not, migrated to Scandinavia already in a state of poverty. Low immigrant participation in the labor market during the initial few years of integration is neither uncommon nor surprising; in the first three years of integration, approximately thirty-percent of Scandinavia’s new immigrants are employed,<sup>71</sup> meaning that sixty-percent of the immigrant population is unemployed for three years, yet still benefits from social welfare.

**Figure 11. Immigrants who are neither in employment nor education, by country of birth. 18-24 years. Norway and Denmark. 4th quarter 2010. Per cent**



Source: Labour market statistics: Statistics Norway, Statistics Denmark.

©Pettersen, Silje Vatne, Lars Østby, Statistics Norway, Statistics Denmark, and Statistics Sweden. "Immigrants in Norway, Sweden and Denmark." *Skandinavisk Komparativ Statistikk Om Integrering Innvandrere I Norge, Sverige Og Danmark, 2013.*

<sup>69</sup> Halvorsen.

<sup>70</sup> Stærk.

Beyond the initial three years of immigrant integration, the demographics of the unemployed population, or the impoverished population, remained primarily immigrant. As represented in the chart below, approximately eighty-five percent of the population of residents who are not participating in the labor market

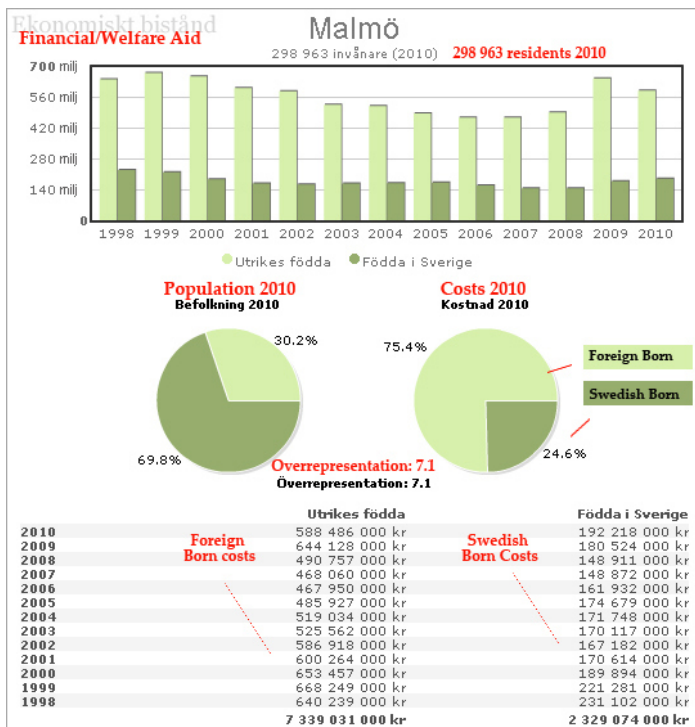


nor receiving an education are immigrants or the children of immigrants.<sup>72</sup>

This lack of participation in the labor force and similar trends among non-natives build up and eventually lead to Scandinavians' loss of trust in foreigners. These practices are viewed by natives as manipulative welfare "schemes" to exploit the generous welfare benefits in Scandinavia.<sup>73</sup> The people who were once so eager to pay extraordinarily high taxes to support this welfare system are now not as willing to support people with whom they cannot identify with and aren't working or completing an education – especially one

that that is provided entirely free of cost by virtue of welfare – to give back to the system.<sup>74</sup>

Prior to the influx of immigration, welfare services were still distributed to those who were the most in need, however then there was not any type of heterogeneous, social discrepancy (besides income) between those in need receiving the most amount of services and those invest more in the system than they extract.



Malmö is one of Sweden's largest industrial cities. This image is an example of municipal welfare distribution. © Swedish National Board of Health and Welfare, 2011.

<sup>71</sup> Pettersen, et. al.

<sup>72</sup> Ibid.

<sup>73</sup> Andersen, Jørgen Goul, page 27.

Cox, Robert. 2004. "The Path-Dependency of an Idea: Why Scandinavian Welfare States Remain Distinct." In *Social Policy & Administration*, 38(2).

<sup>74</sup> Ibid.

And in shifting the mode of delivery of the welfare system from universalist to selective, the Nordic model is exemplifying its tendency to continue to tweak the Nordic welfare state to keep up with changing time as opposed to just implementing an entirely new regime. Selective welfare, as discussed earlier in this essay, breeds distrust and conflict just as universalism supports Scandinavian homogeneity.

### ***Conclusion & Discussion***

The Nordic model seems almost too good to be true: predicated on seemingly idealistic notions of solidarity, equality, and universalism, the Nordic welfare state must have a caveat otherwise the entire globe would be mirroring Scandinavia's reforms.

Immigration and ethnic diversity are those caveats. Immigration, and therefore fractionalization, serve as the biggest threat to the Nordic model and welfare state because they pose both an implicit and explicit threat to the Scandinavian homogeneity. Explicitly, the growing presence and integration of different fractionalized ethnicities, religions and languages simultaneously diminishes overall Scandinavian homogeneity, and therefore, the Scandinavian welfare system as a whole.

Immigration to Scandinavia undermines the legitimacy and sustainability of the current Nordic model and welfare state by challenging homogeneity and therefore individually devaluing the three attitudinal pillars that support the universalist and generous ideology of the Nordic regime.<sup>75</sup>

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<sup>75</sup> Andersen, Ph.D, Torben M. 2004 "Challenges to the Scandinavian Welfare Model." In *European Journal of Political Economy*, 743-754. Vol. 20. Copenhagen, Denmark: Elsevier B.V.

Andersen, Jørgen Goul.

Indeed, the calculated homogeneity in Alesina, *et al.*'s fractionalization study is based on data from fifteen to twenty years ago, and therefore is not fully indicative of Scandinavia's diversity proportions today. However, the data from that study elucidates, as discussed in the previous subsection of this paper, the extent to which immigration and ethnic diversity impacted the defining, anthropological aspects of the Nordic model and welfare state that all stem from homogeneity.<sup>76</sup>

From the outside looking in, the Nordic model seems idealized relative to other forms of representative democracy. With the collective anthropological values that presupposed the implementation of the system, the high levels of trust and confidence in each other and between individual and state and the desire to share invested risk in the welfare system for the betterment of your fellow citizen; the Nordic model seems perfect. So why not just implement it in all countries?

Twenty years ago, Herbert Kitschelt pressed concerns as to “whether a multicultural welfare state is ‘predicated on ethnic homogeneity or at least plural ethnic stability of a country;’ and if so, “[Would] the multiculturalization of still by and large homogeneous or ethnically stable Western Europe lead to a decline of the welfare state?”<sup>77</sup>

Alesina, *et al.* commented in their research, “As Europe has become more diverse, Europeans have increasingly been susceptible to exactly the same form of racist,

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<sup>76</sup> Alesina, *et al.*

<sup>77</sup> Wolfe, A. and J. Klausen. 2000. *Identity Politics and Contemporary Liberalism*. In K. Hinrichs, H. Kitschelt and H. Wiesenthal, Eds., *Kontingenz und Krise: Institutionspolitik in kapitalistischen und postsozialistischen Gesellschaften*.

Crepaz, Markus M.L., (foreword by) Arend Lijphart. 2008. *Trust Beyond Borders: Immigration, the Welfare State and Identity in Modern Societies*. Ann Arbor: University of Michigan Press. Pages 55-56.

antiwelfare demagoguery that worked so well in the United States. We shall see whether the generous European welfare state can really survive in a heterogeneous society.”<sup>78</sup>

Now nearly a decade later, the most generous of the European welfare states is hanging by a thread, proving that this regime simply cannot survive multiculturalism. With homogeneity comes familiarity and trust in the system of governance, which allows an idealized welfare system to become prosperous, even during times of economic or political struggle. The universalist welfare state has relied on Scandinavian homogeneity for vitality, but is now falling in defeat to immigration, multiculturalism and ethnic diversity.

The Nordic model of social democracy as it is understood today – as was referred to as the utopia of representative democracy – is dwindling. This version of the Nordic model is the Scandinavian regime that exercises universalist welfare and is comprised of the anthropological values of universalism, solidarity and equality. However that version would not only never be applicable to another country remotely less homogenous than Scandinavia, but it also will not be sustained in Scandinavia for much longer.

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<sup>78</sup> Alesina, et. al.  
Crepaz, pages 55-56.

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