

A map of Europe with Denmark highlighted in red. The map shows various countries and their capital cities, as well as major bodies of water and geographical features. The text 'Denmark' and 'European Policy' is overlaid on the map in a large, white, outlined font.

Denmark

European Policy

Economic Prosperity - Sovereignty - Support for EU

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BACKGROUND INFORMATION



As a Nation...

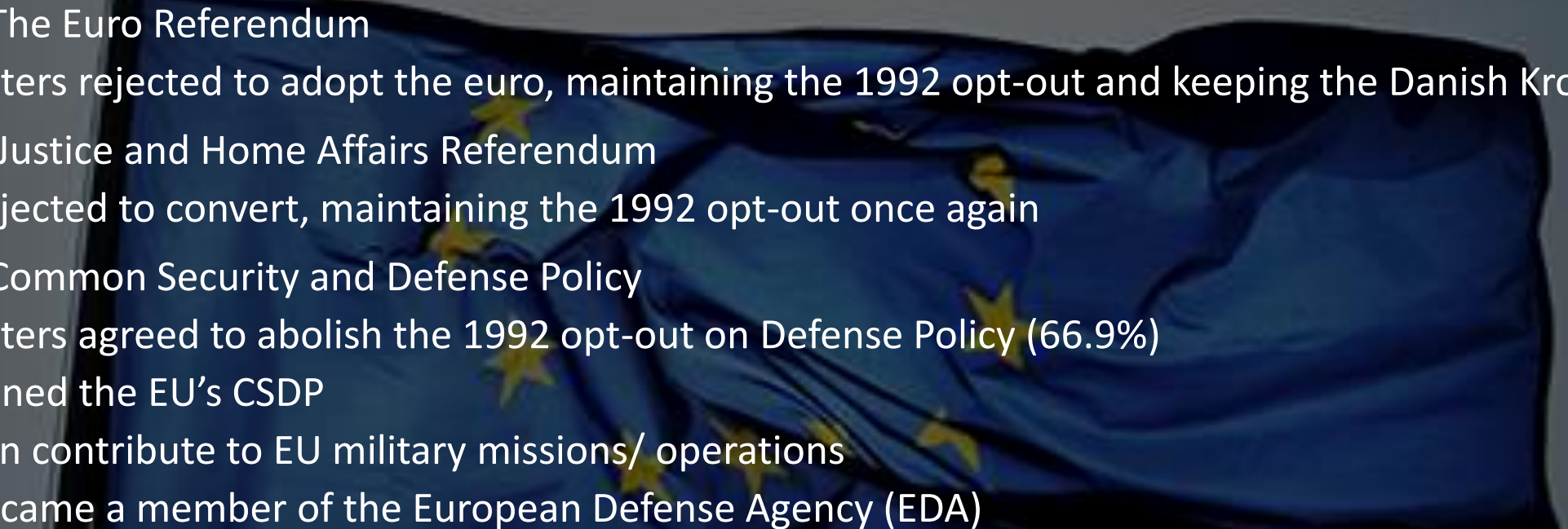
- Capital: Copenhagen
- 2023-2024 Human Development Index recorded Denmark as 4th in the World:
 - High living standards
 - Access to knowledge
 - High life expectancy
- Unitary Parliament with a constitutional monarchy
 - Head of Parliament – Prime Minister Mette Frederikson
 - Head of State – King Fredrik X
- Confidence in parliament (Foketing) – highly accountable and consensus-driven
- Coalitions and minority governments as the norm.

As a Member State...

Referendum after referendum

- Joined the European Economic Community (EEC) in 1973
 - Seeking economic opportunities in a European single-market
 - Referendum in October 1972 - 63.4% voted to join
- The Maastricht Treaty 1992
 - The change from the EEC and the European Community (EU) to the European Union
 - Prompted the 1992 referendum – the Danish people rejected the terms (50.7%)
 - Edinburgh Treaty 1993 – accepted in a second referendum; gave Denmark 4 official opt-outs
 - Common Security and Defense policy (CSDP)
 - Justice and Home Affairs (e.g., asylum standards and family law)
 - The Monetary Union (EMU)
 - European Union Citizenship

Continued...

- 2000: The Euro Referendum
 - Voters rejected to adopt the euro, maintaining the 1992 opt-out and keeping the Danish Kroner
 - 2015: Justice and Home Affairs Referendum
 - Rejected to convert, maintaining the 1992 opt-out once again
 - 2022: Common Security and Defense Policy
 - Voters agreed to abolish the 1992 opt-out on Defense Policy (66.9%)
 - Joined the EU's CSDP
 - Can contribute to EU military missions/ operations
 - Became a member of the European Defense Agency (EDA)
- 



Factors shaping EUROPEAN POLICY

- Size and geography
- Historical context
- Economic position
- Domestic politics



Size

- Population of 6 million
- Limited size = influence
- Multilateralism for leverage
- Collective bargaining power

Geography

- Borders with Germany
- Bridge between Scandinavia and Continental Europe
- Open trade routes through Baltic and Northern Sea – maritime economy/ export-driven



Historical Context

- Viking Age (c. 1000): The foundation of the Danish state and unification of the kingdom
- Loss of territory (Sweden and Norway) in the Kalmar Union (dissolution in 1523)
 - Smallness and lack of sovereignty
- Remained Neutral in World War I
- 1920: last significant territorial border change
 - The area of South Jutland was reunified with Denmark by the Treaty of Versailles' after a referendum of the local population
- Remained its neutrality (much like the Benelux) in World War II
 - believing it would prevent invasion
 - Became occupied in 1940
 - Neutrality offered no protection – other guarantees needed?
- 1949: Formation of the Constitutional Monarchy with a parliamentary system
- Post-War: rapid industrialization and modernization
- Creation of the Welfare State

ECONOMIC POSITION

- Export-orientated economy:
 - 42% of goods/ services going to other member-states
 - Germany, Sweden and the Netherlands as top export destinations
 - Pharmaceuticals, machinery, nuclear reactors, boilers, electrical equipment
 - prosperity in the EU Single Market as a small but open economy
- Strong GDP per capita
 - Over 20% above the EU average
 - Ranked 3rd in EU
- Pharmaceutical and Agricultural Sectors – benefitting from EU frameworks (simplifies regulations and seeks to harmonize market access)
- Supports economic integration and liberal market policies



Domestic Politics

- Mainstream consensus: broadly pro-European
 - hard to deny economic reliance on European markets
 - The only political parties advocating for Danish exit poll at less than 10%
- Cautious of further integration – maintains opt-outs and key decision making
 - e.g., digital infrastructure and data usage
- Rise of Eurosceptic parties e.g., Danish People's Party and the Red-Green Alliance
- EU referendums – gives the public direct say in international politics



THE PARTY SYSTEM

- Multi-party system – no single party holds an outright majority
 - Parliament has 179 members
 - Low electoral threshold, smaller parties gaining representation – 2%
- Minority and coalition governments
- Consensus-building: forced to collaborate over ideological lines, reduces political toxicity
- The appointed leader needs to assemble a government that has majority of the parliament explicitly supporting it
- The parliament operates in two ‘blocs’ – red (center-left) and blue (center-right)



PRAGMATISM AND SOVREIGNTY

Vital cooperation - **limited size** and **economic prosperity**

BUT

held back by its **strong national identity** and caution to give up national **decision-making and control**

Defending national interests and prioritising Danish autonomy

=

Semi-detached approach

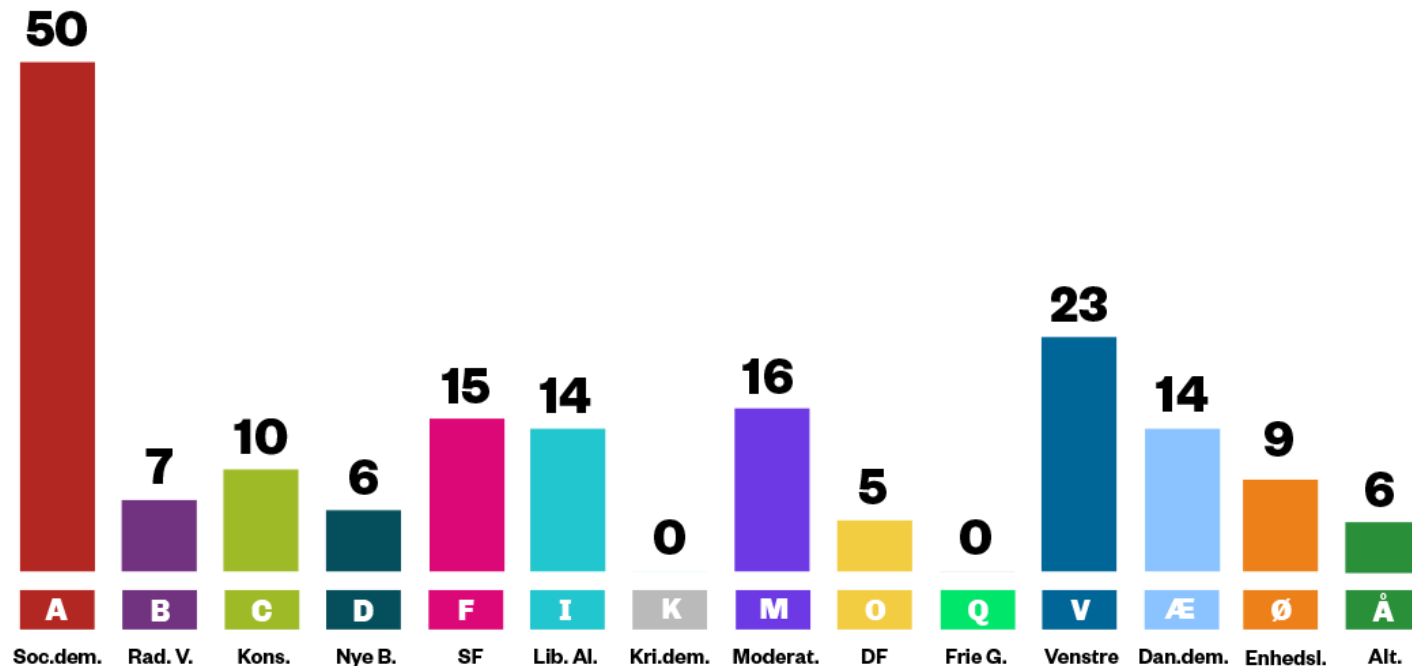


Current Political Situation

Mette Frederiksen (2019-)

2022: Election Results

GENERAL ELECTION 2022: NUMBER OF MANDATES



Turnout: 84%

- 27%: Social Democratic Party
- 13%: Venstre
- 9%: Moderates
- 8%: Green Left
- 8%: Denmark Democrats
- 8%: Liberal Alliance
- 5%: Conservatives
- 5%: Red-Green

Social Democratic Party's best results in 20 years

Venstre took big losses – losing 40% of their prior seats

New party on the rise – the Moderates

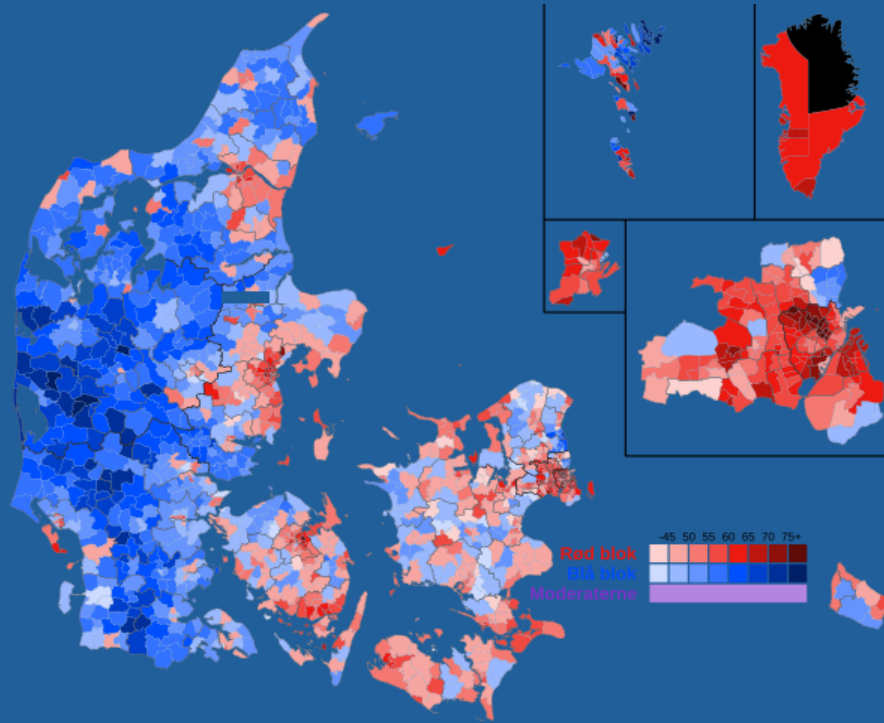
The 'Bloc' Result

Initially, it looked like no bloc was going to make majority

After the Red success in Greenland and the Faroe Islands, their majority was one seat.

Mette Fredriksen was reelected as the appointed leader – becoming the Prime Minister (Social Democratic Party)

Instead of making a center-left coalition (a 'red bloc'), Fredriksen made a center coalition, including: Venstre and Moderates



Lars Løkke Rasmussen
(leader of the Moderates)



Jokob Ellemann-Jensen
(leader of Venstre)

Support for the European Union?

- Denmark has one of the highest trust-in-the-EU scores among member states: 63% of Danes said they trusted the EU
- 80% of Danes are optimistic about the future of the EU (spring 2024)
- 82% of Danes believe the EU should have a stronger role in protecting citizens from global crises/security risks



E U R O B A R O M E T E R

Current Economic Conditions

- High-income, stable economy
 - Maintaining one of the highest GDP p. capita levels in the world
 - Open, mixed, market-based economy
 - Large welfare state with high taxation
 - Leading in pharmaceuticals, biotech and renewable manufacturing
- 2023-2025
- Moderate and resilient growth since the global pandemic – more than other European countries
 - Inflation peaked after the energy crisis but had reduced faster than most European states
 - Unemployment is very low (around 3%-4%), indicates a tight labour market
 - Boosted Exports – Novo Nordisk (weight-loss and diabetes)
 - Danish Krone operates on a fixed exchange-rate policy – pegged closely to the euro
 - Follows the European Central Bank automatically
 - Keeps fiscal sovereignty but has limited monetary flexibility
 - Low public debt compared to most EU member-states (roughly 30% of GDP)

DENMARK AND THE RUSSO-UKRAINE WAR

- NATO member since 1949
- Controls access to the Baltic Sea with proximity to Russia – increases security stakes
- Supports a liberal international order

Feb 2022:

- Immediate and strong condemnation of Russia's invasion
- Quick to deploy humanitarian aid, including refugee relief
- Denmark has one of the highest levels of public support for Ukraine in the EU
- Military aid e.g., anti-tank weaponry, ammunition, f-16 fighter jets, training in Denmark etc.





THE DANISH RESPONSE continued...

- Cross-party consensus in support
- Reframing domestic politics – where security, defense and societal resilience were of key importance
- Increased defense spending – 2% of GDP reached earlier than planned
- Invested in cyber security and arctic security
- National and European strategic clarity – broad consensus
- Energy diversification
 - Accelerate green transition – increased North Sea wind energy
 - Reducing dependency on Russian energy



LOOKING FORWARD...

- Long-term commitment to military and reconstructive support
- Key supporter of NATO's eastern flank, including Baltic and Arctic defense planning
- Things that may change the current consensus:
 - Economic pressures
 - Conflict prolongs with no clear resolution



Geopolitical Competition: The Greenland Conflict

BACKGROUND

- A territory that belongs to Kingdom of Denmark – colonized in the 18th century
- Home Rule (1979) and later Self-Government (2009) – gave more independent powers
- Relies on Denmark for defense and financial support
- Inuit identity and culture (links to Canada)
- Rich in earth minerals e.g., uranium
- Hosts the US Thule Air Base
- Arctic: Site of competition between great-powers

DANISH INTERESTS IN GREENLAND

- Central to their arctic sovereignty and territorial claims
- Strategic military position
- Denmark provides Greenland block grants – which make around 20% of Greenland's GDP
- Denmark provides Greenland's defense and foreign policy
- General Danish consensus is supportive of Greenland's autonomy, keep alliance with the US BUT not lose territory



INTERNATIONAL VESTED INTERESTS



United States of America

- 2019: Trump offered to buy Greenland from Denmark
 - Both Denmark and Greenland rejected
- Opened a consulate in Nuuk in 2020 – diplomatic presence
- Strategic land for countering Russia and blocking Chinese influence in mineral development



China

- Shown interest in rare earth mining projects, port construction, telecom and infrastructure investments
- Some of Greenland's leaders have welcomed Chinese interest - seeking to support Greenland's economic independence



Conclusion & Final Remarks

- economic commitment with political caution
- Semi-detached stance – focus on national sovereignty and control
- Continuing support for participation in the EU
 - caution for deepening social integration
 - open to further enlargement on a ‘merit-based’ approach
- Future direction likely to remain balanced – cooperation when beneficial but remains sovereignty with opt-outs

Thank you!