

## Going Nordic

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# Going Nordic—Can the Nordic model tackle grand challenges and be a beacon to follow?

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## Abstract

Nordic countries are known for having extensive welfare services, a highly compressed wage structure owing to strong social partners, as well as effective regulation and governance in public administration. Various typologies capture aspects of the institutional features of families of nations across various policy areas, showing that there is a specific Nordic variant of political economy. While there is an extensive literature focusing on socio-economic outcomes in the Nordic countries, there is less scholarly focus on the linkages between the regulatory processes, and their policy output, in response to various challenges. This volume examines how exogenous challenges (market liberalization promoted by EU integration and the gig economy, as well as the COVID-19 pandemic) and endogenous challenges in the welfare state (regulation of child-care quality and retirement ages) are tackled in a selection of Nordic countries. After a bibliometric analysis on the state of the literature, features of the Nordic model are presented. Then, the contributions of the articles to the special issue are summarized, after which lessons for other models of political economy are pinpointed. We find that although there is high variation within the Nordics in the studies of the special issue, there is a trend whereby, over time, a broader range of actors involved in the policy and regulatory process. Although not perfect, challenges are solved incrementally and often at an early stage. In other words, the Nordic regulatory model is highly adaptable to different challenges. Thus, the Nordic model does present crucial lessons for other types of political economy.

**Keywords:** bibliometric analysis, labor markets, Nordic model, political economy, welfare state.

## 1. INTRODUCTION

Nordic countries are known for having extensive welfare services, a highly compressed wage structure owing to strong social partners, as well as effective regulation and governance in public administration. While many of these features are present in other types of political economy, it is their particular combination—to enable high levels of welfare, labor market participation and effectiveness of regulatory processes—which renders the Nordic countries unique. Various typologies capture aspects of the institutional features of families of nations across various policy areas, showing that there is a specific Nordic variant of political economy. This includes the *regulatory processes and governance features*—consensus-based decision-making in public administration, and on the labor market—as well as the *outcome*—high level of international trade, remarkable economic performance, a well-functioning welfare state, and low levels of wage inequality (Due et al., 1993; Esping-Andersen, 1990; Korpi & Palme, 1998; Læg Reid & Rykkja, 2018). While there is an extensive literature, which focuses on socio-economic outcomes in the Nordic countries, there is less scholarly focus on the link between the actual regulatory processes, and their policy output, in response to various challenges. In this volume, we examine how a selection of exogenous and endogenous challenges have been addressed through regulatory processes in the Nordic countries. The exogenous challenges are market liberalization promoted by EU integration and the gig economy, as well as the

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COVID-19 pandemic, while the endogenous challenges in the welfare state relate to maintaining quality and living standards, while keeping public budgets at bay.

This introduction first conducts a bibliometric analysis of the state of art on the Nordic model in top outlets to situate the special issue and its contributions. It then presents key features of the Nordic model. Thereafter, it presents the challenges to the Nordic model, as well as how these have been addressed theoretically, empirically and in terms of findings in each article of the special issue. Finally, it draws lessons about how the Nordic countries have dealt with grand challenges, which can be relevant for other countries that face similar challenges.

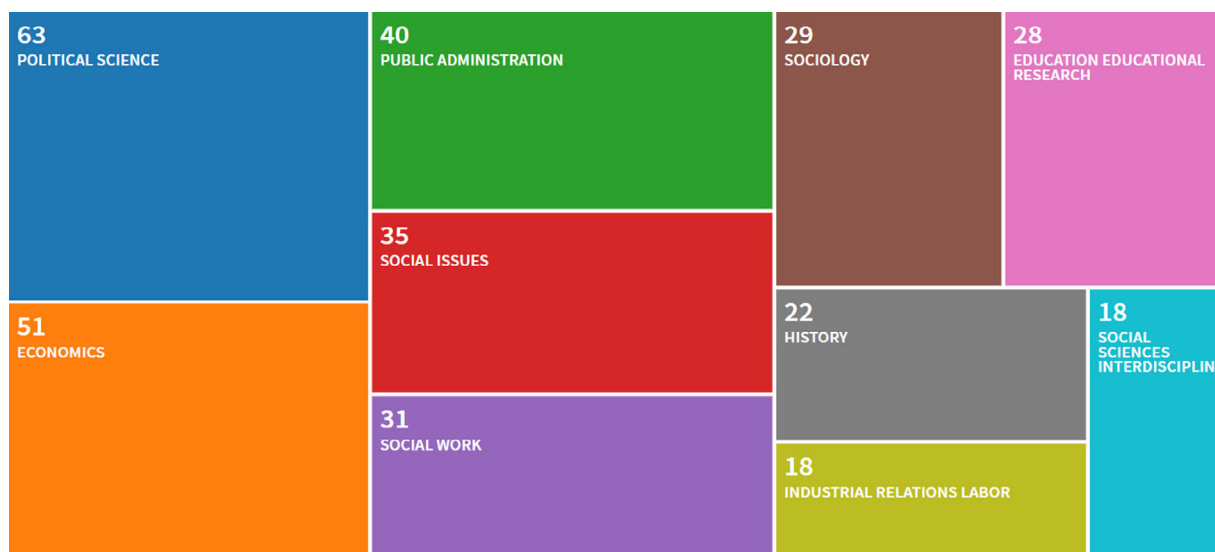
## 2. STUDIES OF THE NORDIC MODEL

Before outlining the specific features of the Nordic model, it is important to examine how much attention has been paid to the term Nordic model in academia, and how it has been analyzed in the past. In other words, to advance the frontier of research on the Nordic model, we must establish the baseline state of art. For this purpose, we have harvested data on articles dealing with the Nordic model in the “Web of Science” publication database which have been analyzed using a bibliometric approach (Frid-Nielsen & Jensen, 2020; Jensen & Kristensen, 2013). We have applied an encompassing search string to the topic, which contains concepts and synonyms that are usually associated with the Nordic model. The data ranges from the year 1956, which is the database’s start time until April 2021.<sup>1</sup> In relation to the returned publications, we have chosen to focus on the 13 biggest disciplinary fields, of which the top 10 are shown in Figure 1.<sup>2</sup>

This gives a total corpus of 305 publications. From Figure 1, it can be observed that Political Science, Economics, Public Administration, and Social issues are the main suppliers of studies on the Nordic model. Thus, studies of the Nordic model are firmly placed within the field social sciences.

Figure 2 provides an overview of the development in published articles over time. While the first articles on the subject were published in 1976, it was not before the mid-2000s that the research agenda really takes off. A similar development can be traced in Figure 3, which shows the number of citations to articles that are part of the corpus. Figures 2 and 3 must, however, be read with the caveat that in recent decades, we have seen a general expansion in the number of published articles and quotations. Thus, the figures do not say anything about the fact that research on the Nordic model has become more prominent vis-à-vis other research themes, but just that there has been increased activity within the field. Yet, it does seem that interest in the Nordic model is considerable, possibly expanding over time, especially during the last decade.

If we turn our attention to the most quoted works within the corpus, we have extracted these from the 305 articles which together contain 12,695 references in Table 1 using the ISI.exe program (see Leydesdorff, 1989).



**FIGURE 1** Top 10 disciplines supplying studies on the Nordic model. *Source:* Web of Science

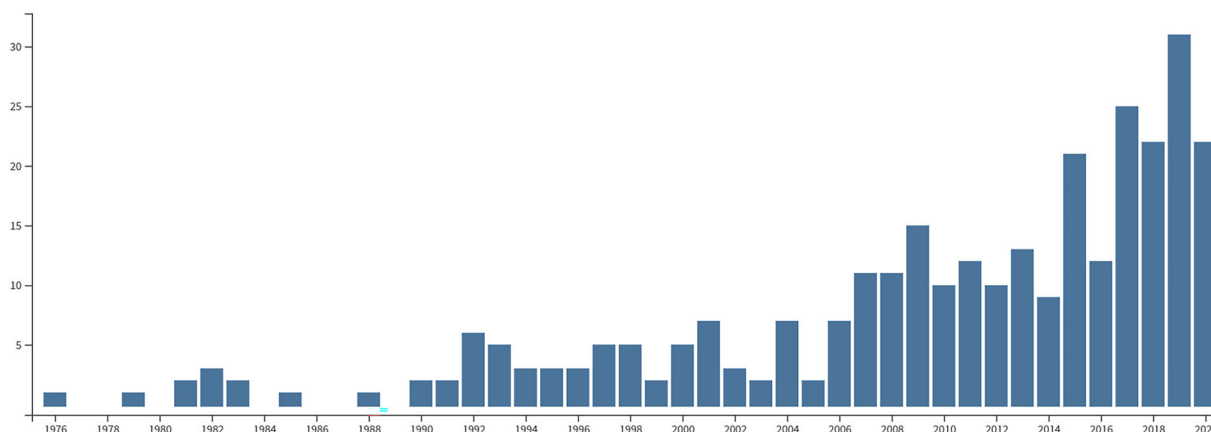


FIGURE 2 Number of articles published on the Nordic model. Source: Web of Science

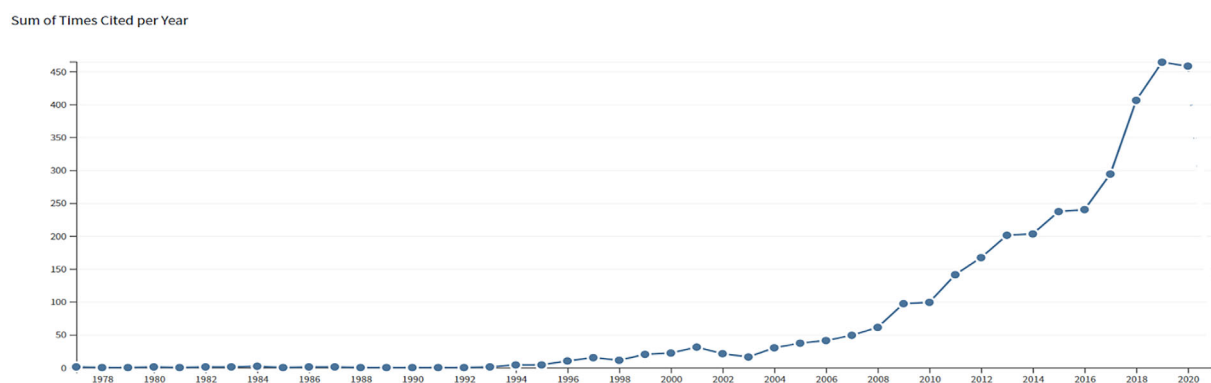


FIGURE 3 Number of annual citations to articles on the Nordic model, 1976–2020. Source: Web of Science

Column 2 in Table 1 above provides evidence of the importance of the Danish scholar Gøsta Esping-Andersen as the most quoted author regarding the Nordic model. Compared to other authors, Esping-Andersen has more than four times as many quotes. His landmark 1990-study *The Three Worlds of Welfare Capitalism* compares the features of the Nordic model of welfare capitalism to other types of welfare capitalism. This initiated a trend in welfare studies to compare the effectiveness of different welfare models to meet various aims, such as inclusion, equality and to deal with challenges, such as economic crises. A recent example includes *Welfare and the Great Recession: A Comparative Study* (Olafsson et al., 2019). Furthermore, the ideal-type on worlds of welfare capitalism identifies overall logics of institutional features and access to social rights in the Nordics and in other types of political economy (Emmenegger et al., 2015). Our overview also shows the importance of international organizations, including the OECD and the European Union represented by the Commission, indicating that the field seems linked to transnational discussions about policy change, with an eye to policies in the Nordic countries. The overview also highlights the importance of other prominent researchers such as Bo Rothstein and Walter Korpi, for studies of the Nordic model. The former is well-known for his work on trust and the quality of government, while the latter is known, in particular, for his work on the Nordic welfare model.

We also recognize that some authors or works are not captured through this bibliometric analysis, but the themes associated with Nordic model in our bibliometric overview resonate with an interest in the features of the Nordic policies, especially at the nexus of labor markets and welfare states, and how these relate to outcomes across different social classes and for gender. Often the Nordic countries are compared to other groups of countries either through the welfare state/labor market perspective or the regulation of economic activity, that is, extent of coordination of market economies. Thus, the combination of regulation and governance with policy in the Nordics, which is the focus of our special issue, has not been center-stage.

**TABLE 1** Top 10 of quoted authors, publications, countries, institutions, and articles

#	Most cited authors	Most cited outlets	Most articles by countries	Most articles by institutions	Most cited articles
1	Esping-Andersen G.	The Three Worlds of Welfare Capitalism	Norway	Uni of Oslo	Rubenson and Desjardins (2009)
2	OECD	Journal of European Social Policy	Finland	Uni of Copenhagen	Lister (2009)
3	Rothstein B.	Cooperation and Conflict	Denmark	Uni of Helsinki	Datta Gupta et al. (2008)
4	Korpi W.	Social Policy & Administration	Sweden	Stockholm Uni	Huber and Stephens (1998)
5	Hall P.A.	OECD	England	Aarhus Uni	Leggett (2014)
6	Bourdieu P.	Acta Sociologica	USA	Uppsala Uni	Cox (2004)
7	Kvist J.	American Economic Review	Canada	Aalborg Uni Inst Social Res Norwegian Uni of Science Technology	Christophers (2013)
8	Andersen J.G.	Scandinavian Political Studies	Germany	Lund Uni Oslo Metropolitan Uni Roskilde Uni Tampere Uni Uni of Bergen Uni of Eastern Finland Uni of Jyvaskyla Uni of Turku	Kvist (1999)
9	Kangas O.	World Politics	Scotland	-	Lindbom (2001)
10	European Commission	Journal of Social Policy	Netherlands, Poland, Spain	-	Browning (2007)

Note: Apart from the first column containing the ranking each column should be read independent of other columns.

Another way of capturing the knowledge base behind studies dealing with the Nordic model is by moving from author level to publication level, as shown in Table 1, column 3. Here, three observations are remarkable. First, the table provides further evidence for the significance of Esping-Andersen and in particular his groundbreaking book *The Three Worlds Welfare Capitalism*, identified as a classic in the study on the complementarities of policies related to states, markets and families (Emmenegger et al., 2015). Taken together, this suggests that the welfare state has been the main focus of scholarly attention of the Nordic models. This implies that the focus of scholarly attention could go beyond the welfare state, to features of public administration, as well as labor market regulation and governance, which are included in our special issue. Second, the table shows, perhaps not so surprisingly, that the knowledge base behind studies of the Nordic model are journals that deal with social policy such as the *Journal of European Social Policy*, the *Social Policy & Administration*, and the *Journal of Social Policy*. Third, 4 of 10 journals have a Nordic editorial base or focus, including *Acta Sociologica*, *Cooperation and Conflict*, *Scandinavian Political Studies* and *Social Policy & Administration*. This calls for disseminating knowledge of the Nordic model in journals that do not focus on specific policies such as social policy and that are not geographically linked to a specific (Nordic) region. All contributions of this special issue do exactly that, by focusing on “regulation,” which is understudied in general, and in particular, in the Nordic countries. Our case selection strategy has been to select different type of challenges—exogenous and endogenous—across policy areas, to gauge whether the regulatory process and response tackles a particular challenge, and to assess whether the responses indicate the continued existence of Nordic model(s). We also reflect upon whether the characteristics of the regulatory processes in the Nordics, that is, adaptable and inclusive, are related to the policy output.

If we examine which countries and educational institutions are the main suppliers of studies of the Nordic model, we note that the Nordic countries and higher educational institutions placed within these are, not

surprisingly, at the top. Table 1 (column 4) shows the countries that produce the most studies and in the top four are Norway, Finland, Denmark, and Sweden. This is followed by studies from England, USA, Canada, and Germany; however, it is to be noted that these countries are large producers of academic studies in general. The dominance of the Nordic countries is observed more prominently if we move from country level to institutional level, as shown in column 5, where all the higher educational institutions are located in Nordic countries. This also contributes to explain that Nordic countries and higher educational institutions are dominant when it comes to studies of the Nordic model. However, it raises a broader question as to why the interest in the Nordic model, which resonates beyond the Nordic countries, is not reflected in more academic studies outside the Nordic region? On the one hand, one could be critical about the lack of studies of the Nordic model beyond the region, and ask whether the Nordic scholars are bowling alone. On the other hand, this special issue provides a unique opportunity to contribute to international scholarship on regulating and governing grand challenges in the Nordic region. Our study contrasts with other recent works on the Nordic model, which focuses on socio-economic outcomes, rather than the regulation processes and policy output (Kenworthy, 2022; Olafsson et al., 2019).

Finally, column 6 in Table 1 shows the main titles of the most quoted articles. One cluster—4 articles—deals the defining characteristics and future prospects for the Nordic welfare model (Cox, 2004; Huber & Stephens, 1998; Kvist, 1999; Lindbom, 2001). Another cluster—3 articles—is on specific aspects of the Nordic welfare state. Two articles—by Lister (2009) and by Datta Gupta et al. (2008) are on gender in the Nordics, because the social democratic welfare state is often characterized as being friendly toward women. This is mainly due to the policy mix across policy areas, in particular, welfare services for small children especially early childhood education and care (ECEC) for the 0–2 year olds, and labor market policy, enabling part-time work as well as the possibility to care for children when they fall ill. Yet, Nordic labor markets are highly gender segregated, with a large proportion of women working in welfare state jobs, especially in the care and education sector. These jobs provide women with possibilities to combine work and family life, but the wage levels are not as high as in other segments of the labor market. The third article in this cluster is on the Nordic welfare state and adult education. Two articles in our special issue deal with challenges of the welfare state, that is, regulating quality of ECEC institutions (de la Porte et al) and regulating the retirement age (von Nordheim and Kvist).

A third cluster—three articles—focuses on the Nordic model in the context of globalization and liberalization. This includes one article on the political economy housing (Christophers, 2013), which is an understudied issue, despite the fact that there is a strong divide (and inequality) between home-owners and tenants (see, for instance, Schwartz & Seabrooke, 2009). A second article focuses on behavioral change prompted by the state in the context of budgetary restraint (Leggett, 2014), which is an emerging research topic in the Nordics and elsewhere. One article is on “branding” of the Nordic countries (Browning, 2007), which has also been addressed in recent literature (Byrkjeflot et al., 2022; Lunde Jørgensen & Mordhorst, 2022). Thus, regulatory processes and policy to tackle challenges stemming from globalization and liberalization are not center-stage in the research. Two articles in the special issue address challenges of the gig economy and European integration for regulation of the Nordic labor market model. One article addresses the Nordic regulatory responses to COVID-19, including the role of expertise. Thus, this special issue of *Regulation and Governance* builds on various strands of literature that focus on the Nordic model. But, in contrast to most literature, our articles focus on the *process of regulation* and *policy output*, to tackle specific endogenous and exogenous challenges. Despite common general features of the Nordic regulatory model, the articles point to non-trivial variation of regulatory styles across policy areas, over time, and between countries.

### 3. THE FEATURES OF THE NORDIC MODEL

“Going Nordic” has long been a source of inspiration for the European Union, especially in social and labor market policy (de la Porte & Palier, 2022; Kvist, 2007). The interest in the Nordic model, is not new, but has existed prior to the economic crisis in 2007, where the Danish flexicurity model was the talk of town in Washington DC, among think tanks and in the World Bank, and on the front page of many of the leading newspapers and magazines (Ilsøse, 2007). The Economist coined the term “The next Supermodel” in 2013, due to the Nordics’ success in public policy, growth, competitiveness, the quality of government and employment (The Economist, 2013). A special report in the Economist in June 2021 reiterated these features (see also de la Porte et al., 2022). On the other side of the Atlantic, reforms taken by the Biden administration—to support families

via high quality ECEC, and to boost free education and job training—are inspired by policies in the Nordic countries. International scholars, especially from the United States, have had a long-standing interest in the capability of the Nordic countries to be fully integrated in the global political economy, while maintaining high levels of social cohesion, growth and well-being (Cox, 2004; Einhorn & Logue, 2003; Katzenstein, 1985; Martin, 2013; Schwartz, 2001).

But, what is the Nordic model, exactly? Typologies of political economy, focusing on advanced economies, find there are distinct groups of nations, with regard to how they regulate capitalism in terms of redistribution (Esping-Andersen, 1990), production (Hall & Soskice, 2001), and growth strategies (Hassel & Palier, 2021). In all the typologies, the central feature concerns how institutions mitigate markets, as well as how they prepare citizens for participating in labor markets. The clusters that are most distinct are the cluster of Anglo-Saxon countries, associated with the term liberal, and the cluster of Nordic countries, also known as social democratic or Scandinavian (Esping-Andersen, 1990; Kvist et al., 2012; Schröder, 2009). Between these two poles, we find coordinated market economies or continental European welfare states. Thus, the typologies, although each emphasizing different aspects of the institutional features of families of nations, show that there is a specific Nordic variant of political economy (Abrahamson, 1999). This includes the *regulatory processes and governance features*—consensus-based decision-making, including autonomous social partnership in rule-making—as well as the *outcome*—high level of international trade, remarkable economic performance, and low levels of inequality (Campbell et al., 2006; Katzenstein, 1985). The system of autonomous social partnership—with slight variation across the Nordics—is highly complex and opaque to outsiders (Arnholtz, this issue). Yet, it is inclusive, horizontally—representatives of business and of labor are included, and vertically—decisions are taken at the lowest possible level. This system fosters trust and enables regulatory decisions which satisfy all actors involved. Thus, the regulatory processes are adaptable to challenges and to demands from business and labor, in a flexible and dynamic way (Due et al., 1993). This adaptability is also present in other policy areas, such as the welfare area, including in pensions and ECEC (de la Porte et al., this issue; von Nordheim and Kvist, this issue). It is also a key characteristic of public administration (Christensen et al., this issue). Thus, a specific feature of the Nordic model of regulation is “adaptability” to the issues raised by the involved stakeholders, while taking account of the challenge(s) to be dealt with. This collection of articles focuses on *policies* designed to have an impact on a particular challenge or problem, whether endogenous or exogenous (Koop & Lodge, 2017), via *Nordic regulation and governance*. This complements other recent studies that focus, for instance, on the link between combinations of welfare-labor market policies, and outcomes for different socio-economic groups (Kenworthy, 2022; Olafsson et al., 2019).

The Nordic, or social-democratic welfare model, is known for universally accessible, publicly financed and regulated, high-quality welfare services (Esping-Andersen, 1990; Kangas & Kvist, 2020; Korpi & Palme, 1998; Kvist et al., 2012). This model builds on the expectation that all citizens, including women (Datta Gupta et al., 2008; Lister, 2009) participate actively on the labor market, thus contributing to the tax-base of the welfare state (Kangas & Kvist, 2018). Yet, the model allows for permanent exits from the labor market, due to disability or sickness. The labor market is—with some cross-country variation—regulated through a system of autonomous decentralized collective bargaining, involving representatives of labor and business at sector and company level in the rule-making process. The outcome is a labor market with exceptionally good working conditions and decent wages (Bamber et al., 2004; Bredgaard & Thomsen, 2018; Ferner & Hyman, 1992). Furthermore, the wage structure is compressed, and the taxation system pertaining to earnings is progressive (Andersen et al., 2007). However, the capital income is not regulated and taxed to the same extent as wage income, and it has therefore produced inequalities (Ploug, 2017). At the same time, the development of skills adapted to the labor market is sustained by investment in the capabilities of individuals through the life-course, including child-care, high quality education and active labor market policy (Kvist, 2015). On the other hand, this has the effect of creating a labor market that is difficult for vulnerable groups to access and remain active in, which could have negative effects on their overall social integration (Andersen et al., 2007).

#### 4. CHALLENGES FOR THE NORDIC MODEL

Although Nordic countries have been flagged as exceptional in various policies related to welfare states and labor markets (see Kenworthy, 2022; Kettunen & Petersen, 2021), there are significant challenges. We focus on some of

these challenges, examining the regulatory processes and policy in Nordic countries. Some challenges come in the form of exogenous shocks, such as financial crises, while others are endogenous. We have selected different type of challenges—exogenous and endogenous—across policy areas, to gauge whether the regulatory process and policy response tackles the particular challenge. We also reflect upon whether the responses indicate the continued existence of Nordic model(s). Two articles in our collection deal with exogenous challenges originating with globalization, related to the diffusion of alternative labor market models in the form of platform economies (Ilsøe and Söderqvist, this issue) and in relation to liberalization of service provision associated with European integration (Arnholtz, this issue). The special issue also includes another exogenous shock, which arises suddenly, that is, the COVID-19 pandemic (Christensen et al., this issue). Two articles are related to incremental challenges arising from demographic population aging, whereby there is a decreasing proportion of individuals on the labor market, supporting an increasing proportion of older citizens. This implies that public budgets are increasingly restrained for welfare issues, which have led to reforms whereby quality of social services is challenged and social rights are becoming more differentiated (Kvist & Greve, 2011). One article addresses how these endogenous challenges have led to changes in pension systems in the Nordic countries (Kvist and von Nordheim, this issue), while another looks at how concerns about quality in childcare are addressed in Sweden and Denmark (de la Porte et al., this issue). To our knowledge, this is the first special issue focusing primarily on regulation in the Nordics in response to exogenous and endogenous challenges. To the extent that the Nordic countries have managed to design and implement new regulation that responds to grand challenges (whether endogenous or exogenous), is the model then one to follow or to avoid? What lessons can be learned for other nation-states and their political economies?

To some observers, the Nordic Model represents a beacon, an inspiring example to follow when looking for more equality between men and women or between rich and poor (Kvist et al., 2012). For instance, Kenworthy refers to the extensive welfare and social investment policies, which “improves living standards for the least well-off, enhances economic security, and boosts equality of opportunity.” (Kenworthy, 2022). Public responsibility for the care of children and elderly help traditional caregivers, that is, women, to participate in the labor markets on a more equal footing than elsewhere (see de la Porte et al., this issue). On the labor market, organized labor has secured comparatively good wage and working conditions for its constituents. In the welfare state, universal policies are financed in solidarity with the biggest shoulders paying the most in taxes, based on their salaries. Whereas some observers emphasize the benefits of a compressed wage structure with progressive taxation on wage earners and gender equality, others criticize the tax burden or argue that the state has too large a role to play vis-à-vis the private market, families and civil society (for a review of this discussion, see Andersen et al., 2007; Lindbeck, 1995). Furthermore, there is a growing criticism of the lightly regulated capital markets in the Nordics (Ploug, 2017). Whether for or against parts of the Nordic model, analysts argue that the model is based on trust as well as inclusive but complex governance structures and regulation instruments (see Arnholtz, this issue; Christensen et al., this issue; de la Porte et al., this issue). This use of regulation to cope with the challenges through participatory multi-level governance and regulation, had led to innovative forms of rule-making and rule-taking (see Ilsøe and Söderqvist, this issue). In addition, observers note that the Nordic model is expensive, due to public and universal solutions, although social investment proponents point to the returns on public investments, especially for skills development (Garrizman et al., 2022; Kvist, 2015; Rosholm et al., 2021).

The ideal-typical features of the model stand out when compared to other types of political economy. But, what if, upon closer examination, there are many ways of going Nordic? The articles in this symposium take a closer look at Nordic countries in different policy areas to address the diversity of the Nordic model from a regulatory and governance perspective. Each article takes on how a particular challenge has been addressed by one or more of the Nordic countries. Yet, each article also indicates that, between different countries, there are many different forms of governance and ways of regulating, within the Nordic model.

## 5. STRUCTURE OF THE SPECIAL ISSUE

This introductory article has presented the state-of-the-art on the Nordic model in academia, and has outlined the general features of the Nordic model. While there has been much focus on policy and outcomes in the literature, there has been little focus on the actual regulatory processes and mechanisms in the Nordic model. Although there are distinct Nordic models of regulation in the different policy areas covered by the articles, there



are country specific ways of going Nordic within the broader model, which is robust but flexible (Dølvik *et al.*, 2014; Olafsson *et al.*, 2019), when responding to grand challenges.

The paper by Anna Ilsøe & Fredrik Söderqvist focuses on regulation of the platform economy within the Nordic labor market models (Due *et al.*, 1993; Esping-Andersen, 1990). They study the emergence of multinational labor platforms facilitating taxi and food delivery services (Schor, 2016; Tzur, 2019), challenging the tax-based Nordic welfare states in several ways as well as the Nordic collective bargaining systems, which rest on strong social partners and high collective bargaining coverage (Thelen, 2018). Ilsøe & Söderqvist undertake in-depth case studies of the arrival and regulatory interactions of Uber and of the food delivery platforms Just Eat in Denmark and Foodora in Sweden based on Abbott *et al.*'s (2017a, 2017b) Rulemaker—Intermediary—Ruletaker framework (RIT-framework), enabling them to analyze and discuss how labor platforms interact with labor market regulators and intermediaries. The case studies show how interactions, taking place at different times, has led to both evasion and integration with the Nordic labor market models of Denmark and Sweden. Uber, using its global strategy of evading regulation, building consumer support, and attempting to gain regulatory accommodation (e.g., Culpepper & Thelen, 2020), failed in Denmark, being pushed out by the social partners and legislators, whereas in Sweden, where taxi markets are largely deregulated, they continue to operate a licensed taxi service. Concerning food delivery platforms, unions played an active role in integrating the largest platform firms into collective bargaining frameworks. Interestingly, collective agreements may benefit these already dominant companies, as they were able to exercise a first mover advantage, setting sectoral standards which their competitors (if successfully integrated) will need to adapt to.

While the article by Ilsøe & Söderqvist shows the resilience of the Nordic corporatist model(s) in the labor market in coping with new platform economies, the article by Jens Arnholtz finds the impetuses coming from the European integration process poses significant challenges which have not yet been resolved and might lead to a transformation of the Nordic model. Using case studies of Denmark and Sweden, Arnholtz analyses how EU-induced cross-national low-wage labor mobility is tempting employers to incrementally abandoning the long-standing trust-based cooperation between the social partners in the Nordic model. Specifically, Arnholtz highlights how the pressures from posted workers have resulted in increased frictions between the social partners in the two countries which is damaging for the compromise-based solutions that historically have been the foundation of the Nordic model(s). At present, the Nordic model is moving toward dualization between people inside and outside the collective agreements, determined by whether they are permanently or temporarily on the Danish labor market. These developments, although for a distinct group of (posted) workers, resemble developments in continental market economies (Palier & Thelen, 2010).

The article by de la Porte, Larsen, and Lundqvist investigates the regulation of challenges in the Nordic social investment state when it comes to ECEC in Sweden and Denmark. By applying the regulatory welfare state perspective (Benish & Levi-Faur, 2020; Levi-Faur, 2014), the authors longitudinally examine the multi-level governance of early childhood education. The analysis focuses on governmental and nongovernmental actors at national and local levels of government shape funding and quality of care, from the early 2000s to 2020. In their analysis, the authors find that when concerns about quality in care were raised on the political agenda by various actors, decisions were taken at national level to improve quality of ECEC. Yet, the regulatory dynamics differed: In Denmark, the debate led to a decision in 2019, to implement minimum statutory requirement of regulatory quality standards, which means that regulatory quality standards, and public funding for childcare increased. In Sweden, the debates about quality led, in 2016, to political guidelines about improving quality, but with no additional national funds, and no mandatory regulatory quality requirements, which will make it difficult to improve ECEC quality substantially. The regulatory welfare state perspective, which focuses on national and municipal levels of governance, gives insights into hidden inequalities between municipalities regarding funding and quality of ECEC, which are more pronounced in Sweden than in Denmark. Thus, the article detects considerable variations between the two Nordic unitary states: Denmark, which has a centralized governance system, has been able to establish uniform quality standards through top-down regulation, whereas Sweden, which has decentralized governance, committed to higher quality standards through political guidelines only, which is likely to be less effective in terms of equalizing quality of care across municipalities. Concerning quality in care, it therefore seems, that Denmark fares better than Sweden, due to a more prominent regulatory welfare state.

von Nordheim and Kvist examine the other end of the life cycle in terms of policy responses to longevity growth. The likelihood that life expectancy for people 60+ will continue to increase has generated a search for regulation that can make people work longer as they live longer and thus maintain both the adequacy and sustainability of pensions. Nordic countries have led the world with three approaches. The first came when Sweden, followed by Finland and Norway, installed life expectancy coefficients in benefit calculation formulas. The second came as Finland introduced age-related accrual rates and the third when Denmark indexed the pensionable age to developments in life expectancy. Yet, when economic incentive-based regulations failed to raise exit ages as much as expected, Finland and Sweden subsequently linked pensionable ages to longevity like Denmark. Having set out the reflections behind the initial approaches, the authors recount the reconsiderations and policy adjustments, which followed when economic incentive regulation failed to alter retirement behavior to the extent expected. In their discussion of why statutory intervention was found necessary authors emphasize that retirement consists of two processes, which tend to be governed by logics beyond mere economic incentives aimed at individuals: stopping and exiting from work and taking out a pension benefit and becoming a pensioner. Where the first transition primarily is governed by workplace and labor market conditions, the second is foremost influenced by social conventions. von Nordheim and Kvist consequently argue that Nordic experiences show that a form of “big signaling” is likely to be required when ingrained retirement patterns are to adapt to constant changes in line with longer lives. If workers and employers are to get the message that work arrangements and social conventions must change to accommodate ever later retirement, then the pensionable age must be dynamically raised, and this regulation spelled out very clearly in a new social norm: As we live longer, we work longer.

Christensen et al. study the extent to which Covid-19 policy-making diverges from normal policy-making within the Nordic countries and whether variations between them in terms of governance arrangements and regulatory instruments are related to the use of expertise and the level of politicization. The article highlights some differences from normal policymaking within Denmark, Iceland, and Finland whereas Norway and Sweden display less deviation. Yet, more variation was identified between the Nordic countries, as Denmark, Finland and to some extent Norway made use of hierarchical command and control governance arrangements, and the two former employed more invasive regulatory instruments. By contrast, Iceland, resembles the case of Sweden, which have both made use of network-based governance but the former deployed more invasive regulatory instruments than the latter. The article established a link between higher influence of experts and the use of network-based governance arrangement. It also pointed to the need to expand the theoretical perspective to include the concept of isomorphism as Denmark, Iceland, Finland, and Norway all have copied the approaches of WHO and other countries whereas Sweden had not.

## 6. FINDINGS AND LESSONS FOR OTHER COUNTRIES

All the articles in the symposium indicate that the core features of Nordic regulation and governance are intact, since they appear to have adequately responded to particular challenges. Thus, the features of a trust-based governance structures are institutionally stable and “sticky” from a path-dependent historical institutionalist perspective (Pierson, 2001; see also Schwartz, 2001). Put differently, because they have been effective in problem-solving, these governance features show signs of “endurance” (de la Porte et al., 2022). Yet, there are some changes at the margin. The regulatory processes have become more inclusive, with a broader range of (new) societal and political actors influencing the rule-making and taking process. One driver for a broader involvement of actors is that the welfare state is restrained fiscally, whereby maintaining high quality and universal access is increasingly difficult (Kvist & Greve, 2011). This has paved the way for other actors to become involved in rule-making and rule-taking regarding welfare issues, including for regulating platform workers (market actors), and regulating the quality of child-care (grass-root actors). Another driver for more involvement of actors in regulatory dynamics is that challenges are becoming increasingly complex, for example regulating posted workers (Arnholtz). Also, the Covid-19 challenge (Christensen et al.) demonstrated considerable variation in the responses of the Nordic government, especially as to whether the pandemic was primarily handled by politicians or experts, but also the willingness to apply invasive regulatory instruments.

The Nordic model has proven to be both flexible and robust, in response to exogenous as well as endogenous challenges. It is, therefore, relevant to ask whether countries characterized by other models can learn from the

Nordic model? The answer is: partly. The Nordic model is based on underlying cultural and institutional factors that are not necessarily present in other models, and could take a long time to cultivate. These include a high degree of trust between the citizens and trust in institutions, especially those who are responsible for providing welfare solutions. This culture of trust enables solutions that build on consensus-based governance, to craft regulation which meets the needs of various stakeholders. However, because the Nordic countries are unitary states, where political solutions, can be implemented more easily, certain features of the model may not be feasible in federal states such as the United States (representing the liberal model) or Germany (representing the coordinated market economy model).

Yet, there are features, which can provide lessons for other countries, in terms of governance and regulation of policy reform, even if they cannot be fully emulated. First, the Nordic model is characterized by involving a wide range of affected stakeholders to develop broad-based and effective solutions to common challenges. The inclusive governance approach ensures a broad knowledge base and support for the developed solution (see also de la Porte *et al.*, 2022). In turn, this may result in better implementation and more stable reforms than in situations of a smaller knowledge base and bipartisan reform politics. This Nordic-style multi-level and participatory regulation and governance, across the various areas studied, can be examined in closer detail for countries that face deadlocks in specific policy areas. Second, the Nordic model demonstrates the advantage of displaying timely due diligence regarding challenges which are addressed in an incremental way and, in some cases, early on (see also Dølvik *et al.*, 2014). By acting proactively, the changes are sometimes smaller in size than if implemented later and the costs related to dealing with the challenges are minimized. In addition, the incremental approach reduces the opposition by ensuring that changes are phased in slowly. Third, the Nordic model shows great versatility as the studies demonstrate a potential to tackle diverse grand challenges, such as technological change, European integration, pandemics, and demographic aging. Nordic countries try out different regulatory approaches, make mistakes and then try out other solutions, sometimes proof-tested in neighboring countries. That is not to say there is no conflict or troubles in the Nordic countries. “Going Nordic” also means that the Nordic countries continually need to re-invent themselves and their regulatory policies to maintain equitable and sustainable outcomes (as demonstrated by von Nordheim and Kvist in their study on regulating retirement and Christensen *et al.*, in their study on regulation of the COVID-19 pandemic). Actors’ continuously engaging with reform processes may, however, be the final characteristic and most important lesson of “going Nordic.”

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## CONFLICT OF INTEREST

No conflict of interest to report.

## DATA AVAILABILITY STATEMENT

The data that support the findings of this study are available from the corresponding author upon reasonable request.

## Endnotes

- <sup>1</sup> We searched for: TOPIC: (“Nordic welfare model” OR “Nordic model of welfare” OR “Scandinavian welfare model” OR “Social democratic welfare regime” OR “Social democratic welfare model” OR “Nordic democracy” OR “Nordic political economy” OR “Nordic consensus-based democracy” OR “Nordic social investment” OR “Nordic governance” OR “Nordic service delivery” OR “Nordic model” OR “Social democratic model” OR “Scandinavian model” OR “Nordic labour market model” OR “Nordic industrial relations model”). Timespan: All years. Indexes: SCI-EXPANDED, SSCI, A&HCI, CPCI-S, CPCI-SSH, ESCI.
- <sup>2</sup> Refined by: WEB OF SCIENCE CATEGORIES: (POLITICAL SCIENCE OR ECONOMICS OR PUBLIC ADMINISTRATION OR SOCIAL ISSUES OR SOCIAL WORK OR SOCIOLOGY OR EDUCATION EDUCATIONAL RESEARCH OR HISTORY OR INDUSTRIAL RELATIONS LABOR OR SOCIAL SCIENCES INTERDISCIPLINARY OR INTERNATIONAL RELATIONS OR PUBLIC ENVIRONMENTAL OCCUPATIONAL HEALTH OR ENVIRONMENTAL STUDIES OR LAW).

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