

Denmark – a Knowledge Society Among Others.

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In recent years there has been a growing international focus on the “Nordic” model of the information and knowledge society. A reason for this is that the Nordic countries are ranked among the top-ten countries in a broad range of developmental reports such as the World Economic Forums *Networked Readiness Index 2004* and the *Global Competitiveness Report 2006-2007* and in a number of international statistics on IT development, internet- and broadband penetration as well. The average income per capita is in the high end (appr. 36.000 Euro in 2005).

This has been a surprise. Ten years ago most sociologists agreed that the huge spending on the public welfare systems in these countries would be a tremendous hindrance for the transition into an information society and the development of the knowledge society. Now we have to conclude that this has not been the case. On the contrary, the welfare system has in fact served as a lever for the integration of the information technologies and for the development of a broad range of knowledge society-features.

To explain this we will take a closer look on the case of Denmark. The modern Danish welfare system originated in the 1950'es in a small country (less than 5 mill. inhabitants) dominated by agriculture, fishing, trading and shipping (e.g. Maersk Sealand) a few industrial companies growing into the world market (e.g. Lego) and a broad range of minor industrial plants. In the following 30-40 years the society was changed into an urbanized society dominated by a huge and homogeneous, well-educated and modern middle class, including a high percentage of women on the labor market.

The welfare policies of the period favored this development in a number of ways, the most important being:

1) Free education also on the secondary and tertiary levels including admission to the university. In the first and second level education schools there are also free books. For third level education (higher education) student's grants are partly free and partly given as loans guaranteed by the state, allowing everybody to get a higher education if qualified. Since the 1980-es there have been some access limitations to specific educations (e.g. as school teacher in a period) due to a fear that there would be too many candidates with a given field.

2) Access to literature and knowledge was favored by a fine-meshed and well developed system of public libraries all over the country.

3) The health sector is public and most health services are free of charge (except medicine at home and dental care).

4) A well developed system of social security, including national pension, relatively high unemployment benefits for long periods. In Denmark the system has been developed

into what is now called “flexicurity”, a system in which the state leaves many questions concerning the labor market to regular negotiations between employers and labor unions. Among other things this systems also allow employers easy access (flexibility) to dismiss employees without redundancy payments, which are financed by the workers and the state (security).

5) A well developed system of day care centers for children aged 0-14 and a – less developed – system of centers for the older teenagers. The day care centers for children allowed women both to get more education and to go to work – very often as teachers, nurses etc. employed in the public educational, social and health sector.

6) Social and educational reform-policies have been directed towards the facilitation of economical growth.

7) The maintenance of a strong public service policy for electronic mass media and also subsidizing the private print news media.

The welfare model was “universalistic” and the services were in most cases defined as rights based on citizenship. In some cases (e.g. day care centers) you had to pay for the services. Among the results have been a lower rate of social exclusion than the average in industrialized societies, the development of a well educated labor force, which allowed the development of a wide range of modern industries and commercial services.

There are of course also some negative effects. The most important is probably that a relatively high percentage of people have lost their relation to the labor market. Even if the official unemployment rate is low for the time being, many people are left to public care of disabled persons as they are not able to meet the requirements of a fast changing labor market, where you need to upgrade your qualifications continuously.

While the welfare system was heavily criticized in the 1980-es, it gained new strength during the 1990-es. We can identify four main reasons for this:

First, the welfare policies were developed to include policies for the integration of the whole population in the IT-development. State-driven projects for the Information/Network/Knowledge Society were developed not simply to support the computer and telecommunication industries, but also to support civil society-initiatives and initiatives related to the digitization of the (huge) public sector (schools, health care system, etc.). The spread of the internet (now reaching more than 80% of the population) was also supported by the national Public Service Broadcast channels (DR and TV2) which soon became influential providers of online news and features, not least inspired by the British BBC. Today DR is one of the most visited sites on the Danish internet domain, providing much more content than any other Danish website. In recent years, however, the competition has been taken up by private print media who are now changing themselves into multimedia companies by developing internet services including mobile services. Today print media have a slightly lower reach than the internet, but still they have a higher readership of news than the online news media.

Second, the well-educated middleclass, including a high percentage of women, were eager to take up the personal computer and later the internet. The take-up was stimulated by a variety of official policies, also including fiscal instruments.

Third, the huge public sector including schools, universities, libraries, health institutions etc. became a dominating customer on the IT-market, thus creating a solid basis for the growth of private IT-companies and supporting the integration of IT in

society as a whole. Unfortunately, there are no figures on the total amount of public spending on IT, but given the huge public sector, it is safe to say that these investments have had a great impact both on the general spread of IT in society and on the growth of the IT industries.

Fourth, the relation between state and private sector was modified to strengthen the nation's international competitiveness. The most significant changes include: a stronger focus on commercial perspectives in public research and education; the transition to a more competitive research funding system, also giving priority to research within a more limited set of areas such as information technology, biotechnology, nanotechnology, media and communication studies and so-called "experience-economy"; the establishment of IT clusters ("silicon valley clones"); liberalization of the former national energy and telecommunication sector; attempts to raise the general educational level from 12 to 15 years (the aim is that 50% of each year group takes a Bachelor Degree); furthermore a system of life-long education partly supported by e-learning facilities is envisaged. There are also a number of initiatives to establish and develop knowledge-based networks organized as virtual communities on the internet. Finally, the country of course also subscribes to a number of EU-initiatives heading in the same direction.

The renewal of the welfare policies seem to be accepted of an overwhelmingly majority of the population in spite of the fact that the average level of taxation is among the highest in the world (nearly 50% in average and up to 68% of the top incomes).

After 2000 the two most controversial issues has been the green issues (ecology and renewable energy supply) and the rate of immigration of Muslims. The percentage of immigrants from non-western countries is among the lowest in Europe (less than 5% of the total population) but it has raised a heated political debate resulting in a number of new regulations to reduce immigration. Even if Denmark in most respects is well prepared for the knowledge society, it is not quite ready to be a full-fledged member of a multicultural knowledge society. Whether this will be a real hindrance remains to be seen.

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