
Civil societies in the Nordic Region – extracts from the knowledge base



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The civil societies in the Nordic Region and the activities in which they engage in the social sector have much in common but are not identical. This selection from the overall knowledge base focuses on some of the differences and similarities between the countries.

We interviewed leading social scientists from each of the Nordic nations and autonomous territories before drawing up this comparative reading of what they had to say:

Denmark: **Thomas P. Boje**, professor Roskilde University
Finland: **Henrietta Grönlund**, professor University of Helsinki
Faroe Islands: **Michael Feldballe Hansen**, PhD stud. University of Faroe Islands
Greenland: **Steven Arnfjord**, associate professor University of Greenland
Iceland: **Steinunn Hrafnadóttir**, professor University of Iceland
Norway: **Jill Loga**, professor Western Norway University of Applied Science
Sweden: **Johan Vamstad**, associate professor Ersta Sköndal Bräcke University
Åland Islands: **Sia Åkermark**, director The Åland Islands Peace Institute

The themes covered are:

- Civil society's historical and contemporary role and legitimacy
- The welfare mix, i.e. who provides what between the state, the market and civil society
- How civil society organisations are funded and supported
- Civil society's potential and the challenges faced.

Our insights are summarised in a table at the end. It is not an exhaustive list and description, just a selection of the themes discussed during the interviews.

The knowledge base – and this selection from it – has been drawn up by the Danish Institute for Voluntary Effort (DIVE) as part of the partnership behind the Nordic Summit for Civil Society 2021. The Think Tank Mandag Morgen acted as a sounding board during the process.

Civil society's legitimacy and roles

In general, civil society enjoys a high level of legitimacy and broad political and popular support in the Nordic Region. The voluntary organisations and volunteers are valued for their commitment and ability to take care of vulnerable and marginalised people.

One of the common denominators between the countries is the close interaction between civil society and the welfare state. It is a relatively common phenomenon in many countries for the welfare state to have evolved out of civil society, and for the two to have worked closely together on welfare provision. In parts of the social sector, civil society has passed on the responsibility to the public sector over time; in others, it continues to do the work. Although the Nordic welfare states are all based on the principle of universalism and, in general, the public sector provides and pays for welfare, there are relatively major differences in service delivery and the role played in it by civil society.

The differences are not necessarily national. The role played by civil society is also determined by the aspect of social care involved. In Denmark, Finland, the Faroe Islands, Iceland and Åland, civil society often plays the role of service provider, for example, in drug and alcohol abuse, care of the elderly, daycare and the health service. One important, very fundamental and traditional role in several of the Nordic countries is advocacy on behalf of particular groups. The interviews stressed that this was the case in Denmark and Åland, for example.



Trends in the welfare mix

The public sector and its institutions provide most of the welfare services in the Nordic Region, but there are national differences in the welfare mix. In Finland, welfare services are put out to tender. Civil society organisations compete with private companies for the contracts, and the interviewees characterised welfare in the country as “big business”. This trend is the same in Sweden, where much of the welfare provision is by private companies.

Denmark has a large number of ‘self-governing institutions’ active in the social sector. They have contracts to provide certain services, e.g. housing for vulnerable people and refugees. The situation is the same in Iceland, where many of the welfare services have traditionally been provided by non-profit organisations funded by the state. The Icelandic organisations may not be self-governing in the same sense as the Danish ones, but the common denominators between Danish self-governing institutions and Icelandic non-profit organisations are that they are run by professionals and make little or no use of volunteers.

Greenland has no tradition of civil society involvement in welfare. However, a new “cross-over” trend indicates that some initiatives (e.g. emergency shelters) previously provided by the public sector are now provided by civil society. Large foundations have also launched social projects, but the idea behind them is often that the public sector will take over and keep running them when the project funding runs out. In Norway, civil society plays little role in welfare provision either. Traditionally, the public sector both finances and delivers welfare benefits and services. This is also mainly the case in the Faroe Islands, with the exception of drug abuse and rehabilitation services, which are provided by civil society organisations. In Åland, there has been a recent trend towards more intersectoral forms of co-operation between civil society, private companies and public-sector organisations. These include both formalised partnerships and informal collaborations, in which the parties share everything from offices to knowledge, experience and know-how. However, the trend is towards greater formalisation and away from more informal relationships dependent on individuals from the three sectors.

Financing civil society’s activities

Throughout the Nordic Region, the public sector is a very important – often the most important – source of funding for Nordic civil society’s welfare activities.

There are slight differences in how this works in practice: The public sectors in Denmark, Norway and Sweden have pools to which civil society organisations can apply for funding. Iceland provides public grants and a system of contract-based collaboration funded by the public purse. In the Faroe Islands, the organisations are explicitly named in the annual national budget.

In Åland and Finland, the national lottery is the main source of funding for civil society activities. Finland is phasing this model out, however, due to criticism that people with gambling problems and addiction were helping to finance civil society activities. One of the arguments is that the funding should come directly from the public purse. The ethical aspects of using funds from gambling have also been debated and criticised in Norway.

In all of the Nordic countries, civil society also has other sources of funding. In Denmark, (non-profit) foundations are increasingly important for civil society organisations, and grants from them have increased significantly. Private donations are a well-known source of funding throughout the Nordic Region, and the interviewees noted that donations and digital collections are a growing phenomenon in Norway. In Åland, a small proportion of civil society’s activity is funded by philanthropists and charities. Greenland has a special form of funding, whereby voluntary social organisations and initiatives are supported by other and larger civil society organisations. In the voluntary social sector, the smaller associations and organisations are, therefore, financially dependent on the larger ones.



Challenges faced by civil society and its organisations

One challenge identified in all of the Nordic countries is that the prevalence of project funding and short-term financing makes continuity and long-term planning difficult.

Grants from foundations are particularly important to project development in Denmark, but are rarely used to finance operations. The trend is the same in Iceland, where the foundations that support voluntary work usually earmark the money for very narrow purposes and not for operational costs. Project funding is also a challenge in Sweden. The majority of the funds come from public-sector pools, but project-based funds lead to widespread uncertainty about the organisations' finances. In Åland, the gaming company *Ålands Penningautomatföreningen* (PAF) finances the majority of the voluntary social organisations, but the money is allocated for one year at a time, making it difficult to plan further ahead. Several interviewees also highlighted the administrative burden involved in funding applications. It calls for resources, special fundraising competencies, and smaller associations find it particularly difficult because they do not have experienced fundraisers.

One challenge particularly evident in Norway, Sweden and Denmark, but also seen in Finland and Greenland, is the risk of **weakening democracy**. Falling membership numbers in associations and support for them is often cited as an example of this. The traditional advocacy and democratic function of civil society organisations will come under pressure if they lack the membership backing they used to have. Changes in the structures of the organisations can also pose a challenge to the democratic aspect of civil society. This has been noted in Norway, where the organisations no longer have the same local, regional and national levels reflecting the structure of the public sector. This has led to a greater democratic distance between civil society and the state.

A third challenge, especially in the Faroe Islands and Åland, is **geography**. Åland consists of over 6,000 small islands, the Faroe Islands of 18. It makes service provision challenging if services are geographically concentrated. It can make access to them difficult – even if they are publicly funded. Åland has 16 local councils, some of which only have a population of a few hundred, and it is especially difficult to organise welfare on such a small scale. Social services are often centred around capitals, which creates inequality in the distribution and accessibility of what civil society has to offer.

A fourth challenge in several of the countries is the **professionalisation** of civil society organisations. In Denmark, it is seen as an advantage if the purpose of it is to help and support the volunteers. Conversely, it is a major challenge if the professionalisation of the organisations creates barriers and adds layers of control that limit the volunteers' room for manoeuvre. In Iceland, professionalisation is reflected in the fact that voluntary engagement is shifting from user-oriented services to working on the organisations' board and other, similar administrative tasks. In Sweden, professionalisation is particularly evident in the large organisations, where a gulf has emerged between local departments and the national/central level. In Finland, professionalisation is associated with the risk of the civil society organisations making their advocacy role less of a priority and being suppliers to the welfare state and, therefore, subject to it, which would constrict their capacity to act as a critical voice.

Civil society's strengths and potential

Intersectoral collaboration – especially between the public sector and civil society organisations – was highlighted as having significant potential to bolster both the welfare state and civil society in all of the Nordic countries. The interviewees emphasised that closer dialogue in Denmark between the public sector and civil society will not only improve cohesion but also act as a catalyst for an even higher degree of voluntary effort. Ordinary people need to be involved in activities – not just as volunteers but also as real decision-makers. In this dialogue, foundations can also play a new and significant role by initiating developmental forms of intersectoral collaboration. However, there is a need to do away with the tendency to think in sectors and siloes. In Iceland, the interviewees also noted that the public sector, civil society and the private market operate in siloes. Particular potential was identified for closer co-operation around vulnerable social groups.



In Sweden, civil society organisations have the potential to become the third alternative to the public sector and large private actors, which today generate the vast majority of Swedish welfare production. However, this would require that the civil society organisations did not have to compete with private providers and that the public sector invited closer cooperation with civil society. The fact that there is backing from the public sector for greater involvement by civil society is reflected, among other things, in the latest programme for government. However, civil society itself is also in favour of making a greater contribution, which has not always been the case. The strength of civil society organisations is their ability to deliver welfare on the basis of strong non-profit-driven values. The fact that the organisations are smaller units also leads to a better working environment, greater democracy and influence, better quality of service and openness to alternatives.

In Finland, it is especially in the local authorities that the potential was identified for intersectoral co-operation. When it comes to local co-operation, there is not the same distance between people and organisations, and often there is an overlap between those who work in the public sector and those who are involved in civil society organisations. However, it will create challenges if local relationships become too dependent on individuals, and they may collapse if key people move on. At the national level, there is potential for more co-operation, but the public sector would need a deeper structural understanding of the basic conditions faced by civil society – especially in policy development and in the field of legislation.

The innovative potential of civil society was highlighted in both Norway and Iceland. In Norway, the entrepreneurial role that civil society has played historically is no longer as central as previously. However, if the aim is to increase civil society's contribution to welfare production, there is a need to engage with civil society's innovative strength. One of the ways this can be done is to stimulate and provide better conditions for the new types of organisations that are emerging – social entrepreneurs, cooperatives, etc. – some of which are non-profit and some commercial. In Iceland, there is also a positive focus on social innovation and a hope that innovation and entrepreneurship will lead to better services for vulnerable people.

A final aspect of potential highlighted in several of the Nordic countries was the **new forms of participation** in civil society. There is a general tendency for voluntary involvement to be highly episodic, more ad hoc and spontaneous – and this is also a challenge because the links to voluntary organisations are changing. However, in Norway, Finland and Denmark, the interviewees identified positive elements in the new forms of participation because they facilitate greater spontaneity and more and different types of activity. They also stressed that, in Greenland and Åland, this type of commitment also means it is possible to act here-and-now and that there is a short distance from a need arising and an intervention. It is a matter of deploying this commitment constructively in local communities, and in Denmark it was stressed that the local councils should be better at identifying and making use of local creativity and solidarity. In Finland, attempts have been made to accommodate and enhance spontaneous engagement by simplifying association structures. For example, the changes are designed to make it possible and easier for activists to set up bank accounts without first having to go through the formalities surrounding the establishment of an association and the administration and obligations that come with association status.

	Denmark	Finland	Faroe Islands	Greenland	Iceland	Norway	Sweden	Åland
Volunteers as % of population	36 % ¹	42 % ²	-	-	32 % ³	63 % ⁴	51 % ⁵	40 % ⁶
Legitimacy	Great legitimacy	Great legitimacy	Great legitimacy	Government recognition but little popular interest	Great legitimacy	Somewhat invisible but many volunteers and "collective voluntary work"	Strong government backing	Great legitimacy
Welfare funding:	The public sector	The public sector	The public sector	The public sector	The public sector	The public sector	The public sector	The public sector
Welfare provision	The public sector and a large number of social, self-governing institutions	The public sector and a large number of private companies and civil society organisations	Government and civil society organisations	The public sector. Almost no private companies	Both public and non-profit organisations. Before 2008, pre-dominantly non-profit organisations.	The public sector	The public sector and private companies	The public sector. Civil society organisations when no public services available
The role of voluntary social work	Services and advocacy	Services, network, bridge-building	Services, especially in drug abuse and rehabilitation	Very little voluntary social work but mainly with children.	Services, advocacy and innovation	Very little voluntary social work	Very little voluntary social work.	Advocacy and services, especially in care of the elderly
Trends for the welfare mix	Self-governing institutions are back in the market	Welfare is "big business"	Civil society organisations named explicitly in the national budget	Cross-over: civil society taking over work from the public-sector.	Market conditions characterise welfare	Commercialisation of welfare	Commercialisation of welfare	Several new inter-sectoral partnerships and socio-economic enterprises
Funding civil society	The public purse Foundations play a major role	National lottery funding	The public purse. Grants to organisations written into the national budget.	Other big voluntary organisations. Small number of large foundations.	Public-sector grants and contracts. Sponsorship and lotteries.	Public-sector grant schemes and donations from digital fundraising drives.	Public-sector pools for grant applications and sales of goods and services to the public sector.	The gaming company <i>Penningautomat-föreningen</i> , but also private charities.
Challenges facing civil society and the organisations	Volunteering outside traditional associations and membership of them. Short-term project funding creates uncertainty about finances. Professionalisation	Lack of political understanding. Inequality in participation. Different and opposing logics in civil society and the public sector. Professionalisation	Availability of services (many small islands). The Service Act possibly curtails voluntary initiative.	Social organisations are left to themselves. No backing from the public sector. Voluntary work is dependent on individuals. Lack of interaction between sectors.	Short-term funding. Professionalisation and less voluntary work involved in service provision. Silo thinking and lack of inter-sectoral co-operation.	Commercialisation The democratic structure of the organisations. Negative publicity about "welfare profiteers".	Commercialisation. Project funding makes finances uncertain. Declining membership. Professionalisation.	Short-term finances and lack of transparency. Availability of services (many small islands). Data protection when everyone knows everyone. Digitalisation.
Civil society's strengths and potential	Closer co-operation between voluntary organisations, local councils and foundations Involving communities in activities and decisions	"4th sector" commitment. Here-and-now solutions making it possible to address the special challenges people face. Involving people with special needs	Enterprising and enthusiastic individuals. Political (and therefore financial) support	Short distance from need to action. The voluntary organisations helping each other. The association, as a form of organisation, is the way forward.	New forms of co-operation and socio-economic enterprises.	Contributions from the many resource-rich retired people. New civil rights organisations. Religiously-based welfare options.	An alternative to public-sector and private welfare services. Smaller units create democracy and influence	Widespread popular commitment. Short distance from need to action



¹ National survey by VIVE (will be published June 2021).

² Rahkonen, J. (2018) TUTKIMUSRAPORTTI Vapaaehtoistyön tekeminen Suomessa, p. 27.

³ Hrafnisdóttir, S., Jónsdóttir, G.A. & Kristmundsson, Ó.H., "Þátttaka í sjálfböðastarfi á Íslandi", in *Icelandic Review of Politics and Administration* (2015), Vol 10, Issue 2 (425–442). p. 434.

⁴ Aldun, F., Sivesind, K. H., & Arnesen, D. (2018): "Oppdaterte tall om frivillig innsats i Norge, 1998–2017", p. 11.

⁵ Von Essen, J. & Svedberg, L. (2020): "Medborgerligt engagemang i Sverige 1992–2019", p. 19.

⁶ Statistics and Research Åland (2018): "tillitsstudie för Åland 2018", p. 43.