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From ‘Awkward Partner’ to ‘Awkward Partnership’?

Explaining Norway’s paradoxical relations with the European Union

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Abstract: Norway is the only Nordic state to have rejected membership of the European Union four times. Applying the conceptual lens of “awkwardness,” as developed by Murray, Warleigh-Lack and He (2014), it seems fair to consider the country as an awkward partner in the process of European integration. As a member of the European Economic Area (EEA), however, Norway has been tightly associated with the European Union since 1994, actively participating in a large number of EU policies and programs and effectively forging a close partnership that has in itself become increasingly “awkward.” This holds true despite the fact that successive Norwegian governments have recently started to embrace a generally more reserved attitude with regard to the EU, particularly in relation to the implementation of several EU directives. As a member of both Nordic and European cooperation, Norway aims at dissipating potential concerns for being perceived as awkward – despite the complexities created by its non-membership of the EU. We argue that Norwegian “awkwardness” has resulted in an “awkward” relationship between Norway and the EU that is predominantly rooted in the domestic political sphere between Norwegian political elites and the electorate, and among the political parties as much as in the EU’s incapacity to deal with a series of economic and political crises over the past few years.

Keywords: European Union (EU); Nordic countries; Norway, awkward partner; European Economic Area (EEA)

I. INTRODUCTION

Together with Iceland, Norway stands out among the Nordic countries in its consistent refusal to fully participate in the process of European integration. This attitude has attracted some scholarly attention in the debates on the United Kingdom's future relationship with the European Union (EU) and has been reignited in light of the "BREXIT" vote in of June 23, 2016. Norway has applied for membership in the European Community, and later the European Union, no less than four times¹ – and the Norwegian people have rejected membership twice.² Instead of EU membership, Norway became a signatory of the European Economic Area (EEA) Agreement, which was originally designed by then Commission President Jacques Delors as "a new, more structured partnership with common decision-making and administrative institutions to make our activities more effective and to highlight the political dimension of our cooperation in the economic, social, financial and cultural spheres" (Delors, 1989, quoted in Vahl, 2009: 13). Today, the EEA Agreement provides for the inclusion of EU legislation covering the so-called four freedoms — the free movement of goods, services, persons and capital — throughout the 30 EEA States, 28 EU member states, as well as Iceland, Liechtenstein and Norway.³ In addition, it covers cooperation in other important areas such as research and development, education, social policy, the environment, consumer protection, tourism and culture, collectively known as "flanking and horizontal" policies. Furthermore, the EEA guarantees equal rights and obligations within the Internal Market for citizens and economic operators.

Most importantly, however, the EEA has a number of important consequences for Norway: First, it is estimated that one third of all Norwegian legislation contains elements of EU law; second, Norway has adopted more than 6000 EU legal acts with only 55 material exemptions since 1994; and third and finally, it is very difficult for Norway to "veto" new EU legal acts to become EEA law in practice (despite the fact that Art. 102 EEA provides for such a possibility in legal terms; see Holmøyvik, 2015: 139). While Norway has no formal and only little real influence on decision-making processes in the EU, it is "integrated to the same extent as full members are as far as policy harmonization is

concerned” (Egeberg and Trondal, 1999: 34). Hence, the country’s EEA-based relationship with the European Union poses a veritable puzzle, especially bearing in mind some core economic features of the relationship: Norway is the EU’s fifth most important import partner for trade in goods and the seventh export market for the EU. More importantly, the EU constitutes the first major import and export partner for Norway, capturing 74.3 percent of the latter’s trade. EU exports to Norway are dominated by manufactured products, whereas Norway’s exports to the EU, in turn, are concentrated on primary products (such as for example gas, crude oil, seafood, and aluminum) as well as electricity. In a brief formula, Norway’s trade ties with the EU are close enough to keep it interested in a comprehensive agreement and association, allowing it access to the common market; at the same time, Norway is sufficiently wealthy and secure to bear the costs of non-membership of the European Union. Still, from a rationalist (institutionalist) perspective, one may ask why Norway ultimately only chose the EEA – originally foreseen as a transitional institutional arrangement – that comes with substantial shortcomings in terms of political influence, democracy, legitimacy and accountability. One may even speak of a loss of self-governance in that not taking part in EU decision-making may leave Norway with fewer possibilities to determine its own rules and norms than might otherwise have been the case.

These questions have triggered scholarly debates (e.g. Ingebrigtsen, 1998, 2001; Neumann, 2001) on the place of economic interests (e.g. the oil sector), emerging path-dependency shaped by the “experience” of a relatively young nation-state (gaining independence from Sweden only in 1905) as well as the role of norms and ideas of egalitarian democratic rule. Based on his analysis of domestic party politics, Fossum (2010) argues that Norwegian non-membership in the European Union is the by-product of internal divisions and a pattern of conflict avoidance among the political elites. The main argument professed by the “*nei*”-sayers is that Norway needs to protect its sovereignty and its own democratic tradition. In this context, the concept of “awkwardness” in inter-state relations and regional cooperation/integration as developed by Murray, Warleigh-Lack and He (2014) proposes a

broader approach that goes beyond unidirectional explanations as suggested by grand theories (CROSS-REFERENCE). Drawing on a constructivist terminology, the concept focuses on how individual member or partner states relate to processes of formal and substantial regional integration (RI), thus offering a classification in addition to well-established terms and dichotomies of the kind of big versus small states (Panke, 2010).

Against this background, this contribution explores the fundamental aspects turning Norway into an awkward partner in the process of European integration, providing, first, a snapshot on the history of its relationship with the EU. We then turn to the topics of power relations, domestic preferences and cultural identity as material and immaterial factors explaining “awkwardness” which – thus our argument – is mainly rooted in the domestic political sphere. The third section assesses to what extent Norway may be seen as “awkward” and how it has managed this “awkwardness”, internally, and with regard to the EU: How does Norway frame the integration process and associated problems with it? Finally, the conclusion revisits the concept of awkwardness in the light of our findings and speculates whether we need to recalibrate “awkward” – especially after the BREXIT referendum.

II. ANYTHING AWKWARD ABOUT NORWAY?

Although its immediate Nordic neighbors – Denmark, Finland and Sweden – opted for membership of the European Community (EC) or European Union (EU) in 1973 and 1995 respectively, Norway decided to stay outside following the negative outcome of two popular referenda. It is against this background that Norway has been perceived as a member of the group of awkward partners of the European Union (see e.g. Sitter, 2005: 16; Eriksen and Fossum, 2015). The Nordic countries have been studied if not as awkward then at least as “reluctant European” (Gstöhl, 2002). The question of Nordic exceptionalism in general and Norwegian “awkwardness” in particular is not new in the literature and has recently been informed by two strands of scholarship. Ingebrigtsen’s book on “The Nordic States and European Unity” sparked a debate some years ago on the motives why some

Nordic states resist EU membership (Norway and Iceland) and others (Denmark, Finland and Sweden) do not. In a nutshell, Ingebrigtsen holds that international security policy considerations and the political influence of leading economic sectors – in the case of Norway the petroleum industry – are the prime causes for dividing the Nordic states in their relations with the EU. Neumann or Tiilikainen have challenged this point of departure and emphasized the role of cultural identity as well as the different historical and political orientations of the five Nordic countries as explanatory variables for differential patterns of Nordic accession and association (Ingebrigtsen, 1998, 2001; Neumann, 2001; Tiilikainen, 2001). This debate was not just about the causal underpinnings for Nordic exceptionalism *vis-à-vis* the EU, but it was also about the place of historicism, social constructivism and neo-realism in contemporary International Relations theory. Combining material and non-material approaches to the study of international relations is one of the merits of this literature – as Ingebrigtsen wrote in her rejoinder (Ingebrigtsen, 2001: 102) – and as captured by the term “awkwardness.”

A second line of research within has gained currency, particularly since Europe slid into crisis mode, starting with the failed referenda on the Constitutional Treaty in France and the Netherlands in 2005, and continued through the Euro-crisis and with the migration and BREXIT challenges, transforming into a severe test for legitimacy and cohesion of the Union. Differentiated Integration (DI) has become a key concern for EU studies (see Leuffen, Rittberger and Schimmelfennig, 2014; Leruth and Lord, 2015). This theoretical lens strongly emphasizes the conditions under which RI structures engage in policies and decision-making reflecting various forms of differentiation. From this perspective, the dependent variable is often associated with the breadth and depth of a given political system of DI, rather than the motives of individual states seeking permanent or transitional arrangements of differentiation.

By using awkwardness as a conceptual tool, here the research ambition is to account for a partner country's drive towards a special arrangement to be put in place taking into account historical,

cultural, economic and political constraints. The shift of analysis becomes clear when compared with the previously described strands of scholarly interest: First, it subscribes to the idea of marrying both immaterial and material factors in explaining awkward behavior, and second, it turns our attention to individual countries that are being perceived as spoilers of RI processes. “Awkwardness” therefore becomes a Janus-faced concept referring to (self-perception and the projected perception by others of) special-ness, internally and externally. It also becomes a constant reminder that RI needs to allow some leeway for those partners who demand different terms that do not exclusively build on a rational cost-benefit analysis. Awkwardness may appear as counter-intuitive and unexpected behavior, and at times, as disturbing and even threatening along a continuum starting well before, but possibly only ending where (dis-)integration starts – viz BREXIT. Murray, Warleigh-Lack and He (2014: 282) have identified power relations, domestic politics and cultural identity as key sources of awkwardness. A country needs to afford awkwardness via credible security as well as economic and political alternatives. Furthermore, RI needs to intrude into boundary areas and cores of national identity (culture, societal, political and economic, and also geographic) exhibiting sectoral and temporal dimensions (i.e. differing from one policy area to another and varying over time). Given the magnitude and scope of post-Maastricht European integration, implementation prerogatives no longer reside with the national level in core areas of statehood (such as defense, migration, taxation and monetary policy – see Genschel and Jachtenfuchs 2014). Consequently, RI can easily be framed as a threat to national identity and a challenge to the symbolic community, e.g. the collective memory of a nation’s former power status, and the dominant narrative on sovereignty. Essentially a heuristic device, “awkwardness” accommodates perceptions and subjective impressions. As a concept it accounts for significant fractures between diverging or contradictory perceptions, resulting from more or less obvious discrepancies between rational cost-benefit calculations such as in power or economic relations, and the rather interpretative elements of identity, collective values and beliefs, and as well as public opinion, the mediatized discourse and political rhetoric.

III. NORWAY AND EUROPEAN INTEGRATION

Domestic factors

Norway has been described as a unitary state, run by parliamentary, multi-party minority governments (Christensen and Lægreid, 2010). At the same time there is a high degree of decentralization (devolution), with an important role of the municipalities (*kommune*) and appreciations for local democracy and self-rule of these communities (Selle and Østerud, 2006: 555). The power of the regional level was traditionally smaller, with a tendency to get “squeezed” between the central government and the peasant or fishing populations in the remote areas (Rokkan, 1987), i.e. between the (central) state and the (peripheral) local levels. “The special legitimacy of the municipalities [...] must be understood in the light of the particular Norwegian interpretation of the centre-periphery relationship” (Tranvik and Selle 2007: 158) – a relationship that in essence still has a bearing also with regard to EU integration, where the bureaucratic elites in Brussels are considered to be less suitable and legitimate to cater for local needs in the periphery. The “no” campaigners have repeatedly been successful in mobilizing this sentiment among voters in rural communities.

Besides an engrained preference for local self-rule, the country has strong democratic, egalitarian and collectivist values, as well as a traditionally strong role of labor movements and a well-developed corporatist culture. Together with a proportional electoral system, with regular alteration of the ruling parties, politics is, generally speaking, consensus-oriented, and accordingly the levels of economic disparity and partisan conflict in the society are rather low (Christensen, 2003; Christensen and Lægreid, 2010). The Norwegian welfare state can be described as a bastion of the Scandinavian model (Esping-Andersen, 1990) with universal coverage and high levels of benefits. Equal opportunities and access are key values of the system, and this is reflected in the development of the public sector and participation in work life. The pension system is “comparatively” robust, covered by the national pension fund, harboring at present a wealth of EUR 900 billion, to large extents

stemming from revenue of Norway's, until recently, very productive oil and natural gas industry, and the return on re-investment of these revenues. Internationally, Norway is a top performer when comparing highest human development index, degree of gender equality, life expectancy, contribution to official development assistance (ODA) by GNP, OECD resilience index, and is in many respects perceived as a "supermodel" (together with other Nordic countries) as celebrated by the news magazine Economist a few years ago (see Economist, 2013).

Domestic factors further include conflict structure and power relations between different economic sectors, political and economic elites, interest and other societal groups. Overall, it is in the Norwegian interest to partake in Europe's single market – whilst being in the position of keeping some exceptions and privileges, notably in the agriculture and fisheries sectors. Norway would be able further reduce transaction costs by joining the EU and shaping the terms of trade. Yet, the agriculture sector – a rather strong and well represented group in the country, has long been shielded from competition and gained by staying outside, with the possibility of protecting markets and products. This situation constrains the forces of demand and offer and raises the prices of a limited array of products for the consumer.⁴ The farmers, firmly anchored in the periphery sphere, have repeatedly been able to push through their own interests and to coalesce with other EU-skeptical parts of society. The reflex of rejecting the idea of being governed from a remote power centre is then combined with different elements of economic self-interest or more general concerns for the Norwegian welfare state. From the perspective of industrial relations, for instance, it is true that Norwegian labour standards (and costs) are higher than in the EU, and that there is a fear of "downgrading" these standards to the EU level, even more than through opening the labour market via the EEA Agreement, which is why the traditionally very influential labour movement is at times rather awkwardly siding with sectoral interests to avoid EU membership.

From the European Free Trade Agreement (EFTA) to the European Economic Area (EEA) Agreement

Bearing in mind these domestic factors, it does not come as a surprise that the bilateral relationship between Norway and the EU is a difficult one: The relationship itself does not at all fall short of close “encounters.” Norway was amongst the founding countries of the European Free Trade Agreement, proposed by the UK in 1956 and set up by the “outer” Seven (Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the UK) in 1959 in competition to the European Community. Only a few years later, however, EFTA started to erode following EC membership applications from the UK, Denmark and Norway in the 1970s, Portugal (together with Spain) in the 1980s. Despite the decrease of potential members – only Iceland (1970), Finland (1986) and Liechtenstein (1991) joined – EC-EFTA relations produced a number of successes: full EFTA-EC free trade for industrial products, for example, was agreed in 1977 and an EFTA-EC-declaration on the “European Economic Space” was endorsed in 1984. Hence, while Austria, Finland and Sweden joined the EU in 1995, Norway remained part of the European Free Trade Area and in 1994 became a member of the European Economic Area (EEA).

The EEA comes close to “quasi membership” and provides for a great deal of legislative and judicial homogeneity amongst the participating countries. In short, it aims to mirror EU legislation and jurisdiction on matters within the scope of the agreement, such as the four freedoms, related policies (competition, transport, energy and economic and monetary cooperation), horizontal and flanking policies (environment, social policy, consumer protection, statistics, company law) as well as cooperation activities, as research and technological development. The common agricultural and fisheries policy, customs union, common trade policy, common foreign and security policy, justice and home affairs (although all the EFTA countries are part of the Schengen area) and the economic and monetary Union (EMU) remain outside the scope of the EEA Agreement. In terms of its governance architecture, the EEA has set up a two-pillar structure bringing together EFTA bodies and EU institutions. Norway is often portrayed as a successful decision-shaper during the preparatory stages of Commission-driven legislative initiatives; yet, the country does not have any guaranteed

leverage inside the EU institutions. Norway entertains an impressive mission to the EU, the “Norway House,” just a stone’s throw away from the main premises of the Commission, and it is the only non-EU country that has a permanent representation inside the European Parliament.

In 2010, both EEA-EFTA countries and the European Union started to review the functioning of the EEA. Both sides concluded that the agreement represents “the bedrock for very good and close EU relations with the EEA EFTA countries” (European Commission, 2012: 3); however, several major challenges have been identified, such as the involvement of the EEA EFTA States in EU decision making, determining the EEA relevance of EU legal acts, participation of the EEA EFTA States in EU agencies, and the timely incorporation of legal acts into the EEA Agreement (“backlog”). As a consequence of the European Union’s rapid growth, Norway has concluded 74 bilateral agreements with the EU in several areas outside the original scope of the EEA since the early 1990s. For instance, in the area of justice, it concluded Schengen (1999) and Europol/Eurojust (2001/2005); in the area of security and defense, it signed a framework agreement on participation in EU civil and military emergency management operations (2004), agreements on participation in the EU’s battle group (Nordic Battlegroup) (2005) and on participation in the European Defence Agency (2006); other agreements regulate Norwegian participation in EU programs and policies, such as the fisheries sector (with regard to quotas, supervision, harbor control etc.) and agriculture (on trade and market access).

Transfer of Norwegian sovereignty by stealth

According to Article 115 of the Norwegian constitution, the state is entitled to empower international organizations which Norway is a member of in order to “exercise powers which in accordance with this Constitution are normally vested in the authorities of the State”.⁵ Formal transfer of sovereignty requires a three-quarter majority in the Norwegian Parliament, the *Storting*. The Article has only been invoked once, namely with regard to the ratification of the EEA Agreement.

Subsequent agreements, several of them are mentioned above, have been concluded with reference to Article 26 of the Norwegian constitution. The second paragraph of Article 26 enshrined the ordinary treaty ratification procedure, which only requires simple majority and does not presume Norwegian membership in the organization.⁶

This has attracted criticism from political and legal scholars alike, denouncing such “constitutional acrobatics” in order to “avoid admitting to the public that transfers of sovereignty take place under the EEA Agreement and its premise of unabridged Norwegian sovereignty” (Holmøyvik, 2015: 147). Fossum (2010: 74), to give yet another example, criticizes the “tight incorporation without formal membership”, where “Norway is almost as integrated as any other member state” – probably even more integrated, as in the case of Denmark’s ‘No’-vote in a referendum on the question of whether to join its EU partners in the area of Justice and Home Affairs (JHA) on December 3, 2015. This is in itself an awkward status questioning the country’s egalitarian democracy. Moreover, all parties represented in the Parliament have silently agreed not to substantially question this status, nor the accountability gap related to the EEA agreement. In a “suicide clause”, a virtual ban discussion on potential EU membership was kept off the political agenda for years, as the public debate would have been fatal for any government coalition (Fossum, 2010: 75). Two – if not three – governments (Borten in 1971, Bratteli in 1972 and Syse in 1990) have already stumbled and fallen over this issue. The result of this position is ‘paradoxical’, namely that the values of democracy and popular control of policy making (‘folkestyret’, see: Olsen, 2014), which are generally seen as superior to the complex continental-European governance systems, are actually weakened rather than protected (Eriksen and Fossum 2014). Central here is the direct link from the people to their elected representatives to guarantee the principle that the citizens participate in the decision-making of how they want to be organized and governed politically. This immediate connection to political decision-making as an expression of sovereign self-government of the people, by the people, is in the eyes of many lost in extended chains of supranational delegation. However, as far as EU law applicable in Norway is

concerned, at present, the Norwegian people have no say in EU rule-making at all (EEA Review Committee, 2012).

Thus, the question of EU membership is a delicate and thorny issue for politicians, also due to high levels of popular mobilization and a very active anti-EU movement. A recent opinion poll suggested that 76 percent of Norwegians wanted their country to remain outside the EU (Dagbladet, 2014). The Euro-crisis, growing inequalities and erosion of social cohesion in Europe as well as the failure by the EU to tackle the refugee situation have led Norwegians farther away from membership than ever before. Yet the country continues on a path of active adaptation, where Norway is part of almost all of the EU's areas of activities (as a rule taker), including Schengen, home affairs (justice and police cooperation, e.g. the European Arrest Warrant), as well as a contributor to around half of all the EU's CFSP-initiated civilian and military crisis management missions (Finstad, 2008; Sjørusen, 2008).

IV. EXPLAINING NORWEGIAN AWKWARDNESS: FROM AWKWARD PARTNER TO AWKWARD PARTNERSHIP

The conceptual lens of awkwardness now directs our attention to the role of both material and immaterial explanatory factors accounting for Norway's "reserved" stance *vis-à-vis* European integration. We will now focus on the impact of power and security relations, domestic preferences and cultural identity as dependent variables.

Power and security relations

After World War II, Norwegian foreign, security and defense policy became closely interlinked with a number of global and regional formats. Together with Denmark and Iceland, Norway was one of the founding members of NATO in 1945 – the alliance is a key reference of Norwegian foreign, security and defense policy. With a military expenditure of 1.4 percent of its GNP in 2014, Norway does not

fulfill the NATO target of 2 percent. Yet for 2015, the Norwegian Government proposed to increase the defense budget by an additional 3.4 percent, amounting to a total of just over EUR 400m. By the standards of its population and size, and judged by its financial or material resource provision and force generation, Norway is one of the most active contributors to international security in diplomatic efforts and military operations alike, be it via the United Nations, NATO, or the EU. The fact that in 2014 former Norwegian Prime Minister Jens Stoltenberg became NATO's Secretary General was also interpreted as a way of rewarding the country for its contribution to the alliance, and in particular its contribution to the IFOR operations in Afghanistan.

At the regional level, Nordic Defense Cooperation (NORDEF) provides yet another anchor in security policy, ensuring close coordination on political and military levels "to facilitate efficient common solutions" (Norwegian Government, n.d.) in defense matters. At the same time, Norway has always cultivated close bilateral contacts with alliance partners such as the US, the UK and later Germany. Norway's affiliation with the EU in the domain of foreign and security policy – as encouraged by the EEA – is "often described as a mere continuation of its alliance policy" (Sjursen, 2015: 200). To some extent, the EEA Agreement, Norwegian participation in the Schengen club, and the administrative arrangements of 2006 between Norway and the European Defence Agency have also been necessary so as to avoid endangering the military as well as civilian security cooperation civilian with its Nordic partners.

The EU is different – and has been entrusted with legal authority following the inception of the Treaty of Lisbon. Day-to-day operations in CSDP contribute to the formation of common positions beyond the "national interest" of individual states. Norwegian diplomacy is part of this machinery, and cooperation may be facilitated through the largely intergovernmental character of cooperation. However, it is often incomplete, as illustrated by Norway's failed attempt to become a full member of the EDA as a core element of the political part of cooperation. Still, the Norwegian government

tends to portray itself as a willing and supportive member, contributing to almost half of the EU's CFSP/CSDP missions thus far.

Traditionally having a very temperate and pragmatic approach towards Russia, with which it shares borders and interests in the North, Norway aligned itself with the EU position during the Ukraine crisis, thus leading to considerable tensions in bilateral relations, including a boycott of Norwegian exports (e.g. salmon) to Russia, and earning the Solberg government rather pronounced domestic critique. Russia could be seen as an external threat to – or perceived as such by – Norway, partly explaining its stalemate engagement in NATO, and frequently seen as an exogenous driver for RI (Murray, 2015: 28; Warleigh-Lack, 2006). Therefore, analyzed as a power-relationship, the trade-off appears to be that Norway's commercial ties are closely enough linked to the EU's market that it accepts even unfavorable contractual terms or a "sharecropper's agreement" (Claes, 2003) such as the EEA in order to benefit from market access. Meanwhile, the country can afford to remain a "silent partner," i.e. not to become a full member, and maintain formal sovereignty thanks to its wealth of natural resources, its military guarantees through NATO, and its close ties to other Nordic partners in the context of Nordic cooperation, which is – together with the Benelux format – the oldest form of sub-regional cooperation in Europe. In this regard, it has also been argued that Norway has actively tried to benefit from "surrogate representation", defined as "representation by a representative with whom one has no electoral relationship" (quoted in: Fossum, 2015: 157), through its intimate relations with other Nordic partners that are members of the EU.

Before the 1990s, Norway looked solely to the US (and the UK) in matters of military security and has tried to steer away from Europe's potentially "belligerent power." The recent memory of aggressive Nazi-German occupation certainly fuelled such sentiment at the time. With the Maastricht Treaty the EU began to assume responsibilities in the area of foreign and security policy (albeit exhibiting a "capabilities-expectations-gap" at the time – as famously captured by Christopher Hill). Norwegian

foreign and security policy has become deeply transformed since the emergence of the EU as a global political actor after the end of communism and at a time when the EU itself was catapulted into a leadership role in terms of managing both political and economic transformations in Eastern Europe. Following a constructivist logic, Norway wanted to showcase itself as a functioning part of the European family which was increasingly perceived as dominated by the EU. The security relationship to the US and *vis-à-vis* NATO is changing, however, for quite some time during the 1990s and 2000s, it seemed that NATO and the US had lost their relevance as regards security in Europe. This is about to be corrected in the aftermath of the Russian annexation of Crimea and support to terrorists and rebels in Eastern Ukraine supported by Russia.

Domestic opportunity structures and preferences: Administrative sovereignty

Sovereignty is a highly cherished achievement after splitting from the forced “unions” consecutively with Denmark and Sweden (Selle and Østerud, 2006). This idealized notion of autonomy (*‘selvstendighet’*) is deeply anchored in collective perception and is seen as an important feature by public opinion (Engelstad et al., 2003). However, via the EEA Agreement Norway is tightly bound to the European Union. And due to new types of interaction with national authorities, EU administrative bodies are more and more frequently directly coupled to Norwegian bureaucracies (precisely like the member states’ administrations), often also bypassing national governments, so much so that Egeberg and Trondal (2013) see the Norwegian administrative sovereignty, i.e. the state’s prerogatives to implement policies on its territory as being under considerable pressure. In their empirical study, they show that Norwegian administrative practice does not differ in essence from EU member states’ ways of integrating their implementation bodies into the EU’s supranational bureaucracy. The point here is the national control over the (indirect) implementation of supranational rules, which are automatically applicable and enforceable in all member states and countries covered by the EEA Agreement. For the most part of its lawmaking and regulatory activities the EU does not have the administrative capacities to ensure their active implementation, with the

actual enforcement of rules traditionally falling under the exclusive competence of the member states. With a rapidly growing number of EU (executive and regulatory) agencies and new competences, e.g. in the form financial and banking supervisory authorities (Bauer and Becker, 2014), to coordinate and support the implementation phase, it has become more and more common to see direct interactions and involvement of EU bureaus with their national counterparts, notably by direct unit-to-unit interaction at organizational sub-levels and without coordination by national ministries.

Norwegian administrative personnel owe their professional loyalty to their national departments and, via the minister, to the Parliamentary assembly (Olsen, 1978). These bodies of the state enjoy high levels of trust and prestige in the Norwegian society, and are traditionally closely followed and watched by observers from civil society, the media and academia (Selle and Østerud, 2006; Østerud, 2003). They are seen to be accessible, meritocratic-egalitarian in their recruitment and composition, as well as responsible and comparatively close to those they serve, the people. Egeberg (2006) holds that over time the relatively independent government bodies and agencies outside the direct control by national ministries have become part of two administrations, namely part of the national and the supranational EU administration. Over the last 20 years, the Norwegian state apparatus has seen the establishment of about 40 such government bureaus that are direct implementation organs of the EU's law and rules (Egeberg and Trondal, 2015: 5).

Economic power relations

As discussed above, domestic opportunity structures are closely linked to the relations between well-represented interest groups and economic actors, which at times also converge with the centre-periphery divide. Agriculture, representing a limited proportion of the country's population and responsible for a tiny part of production as opposed to the high levels of public subsidies, has its protectionist interests firmly represented in the political process. In its 2011 country report, the

OECD wrote “the Norwegian agricultural sector, though small, is one of the most heavily protected in the OECD, encouraging inefficient use of resources.”⁷ On the other hand, Norway’s second most important export industry (behind the petrol industry), the seafood sector, which are equally associated with periphery, have a more extroverted interest, namely to have market access and to sell their products to European consumers. Within the seafood industry, there is a difference between the interests of the fishing and the aquaculture industry. While both seek the possibility to export their products, the fisheries sector, of course, also wanted to defend their resources from quota for European fishing vessels. Fish farming, by contrast, is keen on open markets to export its products, and the considerable growth of this sector over the last decade has therefore, overall, reduced the negative attitude towards the EU within the seafood industry. Interests are represented and promoted accordingly, and contribute to forming and partly coincide with cultural identity in the centre-periphery logic.

Also in the service sector, Norway was reluctant to market liberalization as postal or transport services, where Norway invokes its geographic specificities and the need to guarantee universal services throughout the country. This again connects to the cultural and identity arguments, emphasizing the egalitarian tradition of trying to achieve a fair balance between citizens living in the sparsely populated areas in the periphery versus those in the city.

Cultural identity

Iver B. Neumann has shown that the Norwegian “people” is at the very core of the political discourse in Norway, in particular related to Europe, and that identity is inseparably tied to conceptions of national patriotism and independence (Neumann, 2002). These manifestations have been a constitutive part of Norwegian history since 1814, the day of the constitutional treaty. Building on these arguments, Tanil (2012) has sought to identify the causal mechanisms that have turned identity politics into tangible foreign policy outcome. She identifies five composing elements of the Norwegian national identity that have been activated in particular during the campaigns prior to the

two referenda. First, Norwegian history is characterized by the struggle for independence and freedom from the forced unions with Denmark and Sweden (Selle and Østerud, 2006). The fact that there are two national languages in Norway is, in the case of New Norwegian ('nynorsk'), the result of linguistic attempts to wipe out the substrate of the Danish language. The skepticism with regard to continental Europe has been furthered by the experience of German occupation during World War II. Second, identity discourses emphasizing Norwegian-ness often refer to the time of the glorious and adventurous Vikings presumably finding their way toward America – this reference often serves as a foundational myth going well beyond the early 19th century. Third, there is the theme of a beautiful homeland characterized by coast and land – tied strongly against urban centers. This cleavage between rural periphery and urban centrality has also been emphasized by Stein Rokkan, one of Norway's most renowned political scientists. The two subsequent narratives are strongly connected with this i.e. an idealized simple and pure existence in accordance with nature in contrast to a modern and slightly decadent cosmopolitan lifestyle on the one hand, and the enthusiasm for farmers, fishermen and explorers as national heroes of Norwegian history on the other. Furthermore, a recent popular revival of the Viking myth as a positively beset figure of mass culture has been detected across numerous novels and film productions, with the figure of the ancient Nordic warrior as a role model or icon for, notably young, male, identity (NRK 2013).

These features of national identity do not go unchallenged – and the (relatively) tight results of both referenda on membership provide ample evidence of this. Furthermore, for a long time – up until the beginning of the Euro-crisis – the elite consensus on EU membership did not quite converge with these popular sentiments. More importantly, national identity politics have become increasingly difficult to accommodate with other international policies of Norway, for instance in the realm of migration policy.

V. CONCLUSION

Given the framework conditions in domestic politics, as well as in the areas of identity and security, one would expect Norway to be awkward, and even more awkward than it actually is. Without being a formal EU member, the level of Norwegian adaptation to the EU across a wide range of policies has even exceeded the level of a number of member states. The main paradox of Norway's non-membership is actually that the present status as a norm-taker via the EEA Agreement runs counter to the principal argument, namely to protect the country's egalitarian democracy against external rule and, in particular, the Brussels bureaucrats.

On the other hand, considering the high level of domestic popular resistance, it would rather seem that Norwegian political elites are stretching far and that the country is doing a lot to "fit in", in spite of its outside position. What appears therefore most awkward is that by contrast to its very strong *de facto* integration – Norway in many ways is more integrated than some EU member states – it has refrained from full formal membership. When it comes to explaining this paradox, our paper suggests that a blend of factors predominantly from domestic opportunity structure and historically or culturally rooted popular self-perception provide some hints and insights. Judged against a full membership option, the cost-benefit ratio for "in" is probably highest when weighing economic arguments (market access) against the domestic political structure and popular identity concerns (formal or "administrative sovereignty"). By comparing the three independent variables against each other, it would seem that economic power to "afford" non-membership and the structure of internal political debates about the Norwegian egalitarian tradition and democratic values have the strongest influence to shape Norwegian awkwardness. In light of the Ukraine crisis, the military power argument may have come more directly into play since Norway stands as a firm partner to a united West and thereby – willy-nilly – also embraces the EU position with regard to a sort of European solidarity against Russian aggression.

The Euro-crisis and the EU's quarrel of how to deal with the refugees arriving in 2015 have certainly added to the popular perception that Norway is "better off" outside, and can independently choose the kind and level of support it wants to give to other European countries. Yet, at times by its deafening silence, the debate on Norwegian EU-membership continues to dominate Norway's domestic political struggles, and has probably contributed to widening the gulf between voters and the political and economic elites, with the latter having a preference for joining the EU. Also in academia EU-cooperation and research funding has grown in importance. Among political scientists, the curiosity for the EU as a governance system remains unfaltering, and it is generally considered as one of the most interesting political projects of our time and an attractive objective of study. With the UK leaving the EU and a spreading nationalist tendencies scholars may thus ask the question whether what was until recently considered awkward is now becoming the 'new normal'.

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Endnotes

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¹ The first two bids for membership, presented in 1962 and 1967 were set aside following French President Charles de Gaulle’s stout rejection of prospective British membership. The county’s third and fourth application was rejected by 53.5 percent and 52.2 percent of the population in 1970 and 1994 respectively.

² The “no” campaign won with 53.5 (1972) and 52.2 (1994) percent respectively of the popular vote.

³ In a strictly legal and political sense, Iceland, Norway and Liechtenstein are the European Free Trade Area (EFTA)-EEA states, whereas the 28 EU member states are the EU-EEA states. All together, the 31 countries make up the EEA. As this would make for unduly heavy terminology throughout this document, however, we call the three the EEA states and the 28 the EU.

⁴ In its 2011 country assessment for Norway the OECD suggests, that “barriers to entry and public ownership reduce competition and may result in lower productivity growth.”, at: <http://www.oecd.org/norway/47473811.pdf>

⁵ Article 115 reads in full: “In order to safeguard international peace and security or to promote the international rule of law and cooperation, the Storting may, by a three-fourths majority, consent that an international organisation to which Norway belongs or will belong shall have the right, within specified fields, to exercise powers which in accordance with this Constitution are normally vested in the authorities of the state, although not the power to alter this Constitution. For the Storting to grant such consent, at least two thirds of its Members shall be present, as required for proceedings for amending the Constitution. The provisions of this Article do not apply in cases of membership in an international organisation whose decisions only have application for Norway exclusively under international law.”

⁶ Article 26: “Treaties on matters of special importance, and, in all cases, treaties whose implementation, according to the Constitution, necessitates a new law or a decision by the Storting, are not binding until the Storting has given its consent thereto.”

⁷ According to recent OECD data, the Norwegian agricultural sector employs approximately 53 000 full-time equivalents, 2.1 percent% of the country’s total employment, and produces 0.3 percent of Gross Domestic Product (GDP), cf. <http://www.oecd.org/norway/47473811.pdf> .