

DANISH EXPERIENCE IN THE FIGHT AGAINST CORRUPTION



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Abstract:

The Danish experience is one of the most effective international experiences in the fight against corruption and achieving the highest indicators of global integrity according to transparency. From this point of view, this study attempts to examine the underpinnings of this experience by reviewing Denmark's various anti-corruption mechanisms in order to benefit from this experience, as well as research into the various challenges they face, despite their achievement of the global prominence of anti-corruption indicators.

Key words: *Danish experience; corruption; corruption indicators; Transparency International; anti-corruption challenges.*

Introduction:

Some countries in the world, through Transparency International's Corruption Perception Index, have achieved encouraging points in the fight against corruption in 2021, while others have obtained weak points, indicative of the prevalence of the phenomenon. As a result, there is a strong need to study these experiences in order to identify the reasons that led countries to tackle the phenomenon of corruption, while others have failed. One of the countries that topped the index is Denmark.

Denmark therefore presents an interesting case in the fight against corruption as of 2021. As it has consistently earned its position as the least corrupt

state according to this index, we will use Denmark as a case study in order to learn about its strengths and the reasons why it remains a leading country in the fight against corruption.

Research Questions:

This paper therefore aims to answer the following research questions:

What are the mechanisms of Denmark's anti-corruption experience?
What are the challenges facing this experience?

THE FIRST TOPIC:

The modern DANISH STATE

Before going into the Danish experience in the fight against corruption and the mechanisms adopted in that regard, it is important to first make note of Denmark's socio-political and economic organization, including the country's regional organization as well as some economic indicators that reflect the level of community well-being in Denmark.

A)- Denmark's Socio-Political Organization

Denmark represents the smallest area of Scandinavia, consisting of the Gutland peninsula between the Baltic Sea, and the North Sea in Northwest Europe and 482 islands off the coast of the peninsula. The most notable islands are Zailand (where Copenhagen is the capital), Vaughn Island, the Vero Islands, Greenland. Denmark also has control over approximately 100 inhabited Islands (Atris, 2002, p. 72).

Denmark's southern land border is shared with Germany and is 42 miles (67 km) long. It also shares a border with northwest Norway and northeastern Sweden (Atris, 2002, p. 72).

The modern Danish state officially absolved its absolute monarchy in 1849 in favor of royal constitutionalism with the passing of the 1849 Constitution. This established the King as Head of State and gives the democratically elected Parliament the power to choose the Prime Minister to head the Government (Ardigó, 2018, p. 02).

In the early twentieth century, many labour and market reforms were concluded that laid the foundations for socio-economic development in Denmark that has continued since 2007. Denmark consists of five administrative regions run

by regional councils responsible for national health services and social services, regional development. More specifically, there are 98 municipalities, each administered by municipal councils responsible for the urban public such as waste collection, water and sanitation. Two of these are self-administered, the Faroe Islands, which was granted autonomy in 1948, and Greenland, which was granted autonomy in 1979 and then in 2009 (Ardigó, 2018, p. 02).

B)- Denmark's indicators in perceptions of corruption

The Corruption Perception Index is an annual index published by Transparency International since 1995. The index classifies States "by their perceived levels of corruption in the public sector, as determined by expert assessments and polls", where the index ranks countries around the world by the degree to which corruption is observed in officials and politicians. The organization defines corruption as abuse of trusted power for the personal interest.

The World Bank's Corruption Perception Index (CPI) is the most widely used corruption measure in countries around the world. Based on numerous studies, this indicator is known in detail. For the work of the manual, international transparency conducts surveys that ask business and analysts, both inside and outside the country they survey, about the extent of the country's corruption. Relying on the number of real corruption cases will not be feasible because of the difference and extent of application of these laws vary significantly from country to country.

Denmark remains at the top of the Global Corruption Perception Index as the world's most honest country for the past six years in a row, followed by Finland and New Zealand and Table 01 showing the scores achieved by Denmark, Finland and New Zealand in the Global Corruption Perception Index (2020-2023) among 180 countries in the world.

Figure N° 01: Global First States' Perceptions of Corruption Index.

Year/rank State	2020	Rank	2021	Rank	2022	Rank	2023	Rank
Denmark	88	01	88	01	90	01	90	01
Finland	85	03	88	01	87	02	87	02
New Zealand	88	02	88	01	87	02	85	03

Source: Researcher's achievement based on: Transparency International Corruption Perception Indicators: Index 2020, 2021, 2022, 2023.

C) - Indicators of the Danish Economy

Denmark's economy is a newly mixed economy with high standards of living, a high level of government intervention, through public services and remittances. It's economic is also heavily dependent on foreign trade. The service sector dominates the economy, representing 80% of jobs, while around 11% of all employment is in manufacturing industries and 2% in agriculture (Denmark's economy).

Nominal GNI per capita was the seventh highest in the world at US \$58,439 in 2020. By correcting purchasing power, per capita national income was \$57,781 internationally or \$10 globally. Income distribution was relatively equal, but inequality has increased somewhat over the past decades. However, due to a greater prevalence of gross income and various economic policy measures in 2017, Denmark had the seventh lowest Gini coefficient (measure of economic inequality). Out of 28 EU countries with 5,822,763 inhabitants (1 January 2020), Denmark ranks 36th among the world's largest national economies measured by nominal GDP (GDP) and the world's 51 rank is measured through purchasing power parity (ppp) (Denmark's economy).

The country has 5.7 million people with a high standard of living, with the Human Development Index 0.929 ranking Denmark 11th in the world. According to Eurostat data, poverty rates are low at approximately 3.1% in 2017, and economic inequality is also low, with the Gini coefficient in 2015 (Ardigó, 2018, p.04).

THE SECOND TOPIC:

Anti-corruption mechanisms in DENMARK

When considering issues of state corruption, Denmark is generally not mentioned because it performs very strongly the world's anti-corruption standards. Most experts agree that its public sector is characterized by a high level of integrity, most likely due to several mechanisms that Denmark is pursuing to deter, detect and punish corruption.

A)- Open governance as a transparency mechanism

Denmark adopts an open governance system based on transparency, impartiality, independence and mutual control so that Denmark is governed by a parliamentary constitutional monarchy. Denmark has a state and local government

in 98 municipalities, and the Kingdom performs its functions within democratic frameworks.

The Constitution contains the main rules on the rule and administration of the State and guarantees the people many fundamental rights and freedoms on the basis of openness and transparency. Before the King ratifies the laws, they must be discussed in the Royal Council headed by the King, called "Statsradet" (Kingdom of Saudi Arabia, 2013, p. 10).

Denmark's democratic system was adopted on 5 June 1849 and is based on a clear division and independence of power, which is assumed by three bodies:

-Legislative power: The Folketing (National Parliament) is composed of 179 members, representing a wide range of political parties, and members of the Danish Parliament are elected for four years at a time. However, the Prime Minister could dissolve Parliament and set a new election date for four years (Kingdom of Saudi Arabia, 2013, p. 10).

Parliament is open to all, and anyone who has the desire and interest to attend Parliament meetings can at any time call or write to the Minister and receive a reply within a few days.

-Executive power: The Government shall be composed of ministers belonging to one or several political parties, headed by the Prime Minister, and the Government shall be dissolved or a date set for new parliamentary elections, as the majority of members of Parliament have no confidence in them (Kingdom of Saudi Arabia, 2013, p. 10).

-Judiciary: It is the responsibility of the courts of justice, which enjoy full independence from the Government and Parliament.

B)- Legal Mechanisms

Before talking about the legal mechanisms taken to combat corruption in Denmark, we must talk about the independence of Denmark's judiciary, as the judiciary is the primary guarantor of the application of the legal rules guaranteeing impartiality and transparency. The courts have full independence from the Government, Parliament and the Queen. Supreme Power is the Supreme Court (Folkeoplysning, 2017, p. 07).

There are three different levels of courts in Denmark in which civil and criminal cases are handled: the Court of First Instance, the High Court (Court of Appeal), and the Supreme Court. If one is not satisfied with the Court of First Instance's judgement, they could appeal the judgment to the Court of Appeal.

Codified legal mechanisms represent one of the legitimate deterrence to any suspicious practice. Thus, the most effective measure to prevent corruption in Denmark is the Danish Law on Corruption, adopted in 2002. According to this legislation, representatives of the Danish government are required to publish information about their personal property and income every year. In addition, in order to prevent officials from using their official positions for personal gain, they are obliged to sell their stakes in foreign companies (Anti-corruption methods in Denmark 2022).

Paragraph 20 of the rules of procedure of the Danish Parliament provides that a member has the right to receive information on the position of a minister on a matter that falls within his or her competence. As a result, the House of Representatives holds periodic meetings at which ministers answer their colleagues' queries about suspicions of bribery or pressure on the interests of any company (Anti-corruption methods in Denmark 2022).

Access to information is regulated by law and any person may have access to documents of any public administrative persons. Equally, all forms of corruption offences contained in the Council of Europe's Convention on Criminal Law on Corruption and Additional Protocol, except trading in influence, are covered by Danish criminal legislation (DELNA, p. 06).

C)-National System of Integrity

Denmark has a strict and integrated national integrity "system", which monitors all legislative, executive and judicial authorities, and the public and private sectors. This system is overseen by the Danish International Development Agency, a fully independent body with constitutionally fixed government funding that is therefore unaffected by change of government (corruption?).

The Agency has extensive powers to monitor government and private bodies through advisers and observers. They adopt a financial disclosure system for all State employees, headed by the Head of Government and its members, who are obliged to publish all their expenses on a monthly basis even during travel, in addition to the gifts they receive (corruption?).

Denmark also has a special, declared system that transparently discloses all information on the State budget and allows citizens to assess the Government's performance in dealing with the budget and to propose disbursements to State public enterprises.

Regarding the public sector, the Personnel and Efficiency Agency issued codes of conduct for civil servants and the revised version of the Public Sector Code of Conduct was published in December 2017 as Rules on Secondary Work and the Public Servants' Fitness Requirement (COMMISSION, 2020, p. 06).

D)- Freedom of the Press

Civil society and the media play a key role in creating a climate that enrich public life and together constitute one of the most effective agents in excluding corruption from public institutions (University, 2011, p. 17).

The Damascus Act gives journalists the right to seek access to important documents in a case, in order to ensure that the case proceeds legally and that no bribe is taken. If one is accused of exceeding the law, the media may request access to the documents of the case. The authorities are therefore fully careful to abide by the country's laws and not take any kind of bribery.

The tools used by the Danish press to detect corruption include:

1)- Surveys:

Danish newspapers conduct in-depth investigations to uncover corrupt practices in various sectors. In 2013, the Danish newspaper Polytechnic revealed a corruption scandal at Dansk Bank and in 2015 the Danish newspaper Yolandes Posten revealed a corruption scandal at the Danish Ministry of Foreign Affairs.

2)- Freedom of access to information:

Denmark's freedom of information laws gives citizens easy access to public information, and journalists can use this information to investigate corrupt practices.

3)- Protection of sources:

Denmark's source protection laws provide strong protection for journalists and their sources, and Danish law gives journalists the right to request access to important documents on a case to ensure that the case proceeds legally.

Transparency International emphasizes those countries that have occupied advanced positions in the fight against corruption, including Denmark, often possess a wide freedom of the press. The press plays a key role in disclosing aspects of corruption with detailed information and names, whatever the position involved in corruption. An example of this is Minister Lars Gasmussen, who purchased a packet of "cigarettes" and hired a taxi using taxpayer money in 2008. After the incident was published in the press, the minister returned the money back

to the State and made an official apology to the people. This, however, was among the reasons that Denmark's points in the Corruption Perception Index fell from 10 points to 9.3 points (corruption?)

E)- A Well-Established Civil Tradition against Corruption:

Denmark has a strong tradition of freedom of expression as a result of the open space for civil society (COMMISSION, 2020, p. 12). One of the main reasons for Denmark's low level of corruption is the growing condemnation of corruption not only among government officials but also among ordinary citizens in Danish culture. There remains a lot of interest and focus on the openness of information and the informed public. As a result, open and transparent governance has been a prerequisite for preventing mismanagement.

Denmark is said to be a state of associations and all Danes are members of an association and more (Folkeoplysning, 2017, p. 07). Civil society organizations play an important role in supporting the Danish press in the detection of corruption.

F)- Merit in Holding Public Service Positions

In Denmark, public service employees consist largely of merit in non-peerage appointees who swore allegiance to the Danish government, while adopting a formal separation between public funds and the private interests of the rulers. From the 19th century onwards, according to the Constitution, the monarchy's revolution was separated from public funds (corruption?)

Denmark has a good reputation for the efficiency and effectiveness of its public administration, thanks to a range of interrelated factors, including:

1)- Culture of responsibility:

The principle of accountability is taken seriously at all levels of public administration and encourages staff to make decisions, take responsibility and results, as well as regulate performance appraisal systems to measure staff efficiency and link them to incentives.

2)- Transparency and integrity:

To apply strict standards of integrity and transparency at all stages of government work, citizens have easy access to public information and all public administration decisions are subject to scrutiny and accountability.

3)- Investment in human capital:

The Government makes significant investments in education and training to develop its employees' skills.

Private Danish companies also often adopt a zero-tolerance policy of accepting bribery within the company or in dealing with foreign partners. In the course of employment, these companies shall sign a special agreement containing the signatory parties' obligation to refuse to take and grant bribes. The unwillingness to sign such a contract is a serious reason for terminating employment, and its infringement entails dismissal resulting in a special mark on the staff member's profile.

G)- Existence of Specialized Anti-Corruption Institutions

Anti-corruption methods are practiced in Denmark at many levels by public and private institutions. The Kingdom has developed the rejection of the phenomenon of corruption and the image of a decent worker. Only in instances where they try to give or receive a bribe is the employee is threatened with dismissal. In addition, criminal responsibility for bribery increases in the country every year, making the consequence of bribery severe.

It should also be noted that anti-corruption measures in Denmark are taken by various donor agencies that adhere to the policy of "absolute intolerance", which means that the company does not accept bribery either in its enterprise or in cooperation with external partners. Organizations applying such policies incorporate the main anti-corruption provisions into all bilateral agreements and contracts: (Anti-corruption methods in Denmark 2022).

1)- DANIDA Agency:

The International Development Agency has extensive experience in anti-corruption in Denmark. Conventions concluded by this agency must be accompanied by the signing of a non-bribery declaration. Failure to comply with the bribery provisions results in the termination of the contract and the Agency's refusal to cooperate with the offender in the future. In addition to standard anti-corruption regulations, the company has launched a hotline that allows people to notify the company's management of the illegal use of funds.

2)- Export Credit Agency (EKF)

Anti-corruption is largely provided in Denmark by the Danish Export Credit Agency. The Agency's applicants are required to sign a declaration of non-bribery, which means refusing to participate in acts of corruption. In case of breach

of signed agreements resulting in financial losses, applicants are obliged to pay compensation to the Agency. In addition, the applicant loses the right to cover the losses under the Agency's earlier guarantee.

3)- Danish Trade Council (TCD)

The Trade Council's main task is to combat corruption in Denmark in foreign markets. The organization helps make deals in international markets, while maintaining a strong reputation of Danish companies. The Council helps resolve both ordinary business issues requiring consultation and complex issues that cannot be resolved without the assistance of local government. The Board has a policy of "zero tolerance", which is a good example of corruption not being accepted by the Organization's staff.

4)- Industrialization Fund for Developing Countries (IFU)

The Fund's purpose is to help expand business abroad by investing in international companies in developing countries with the support of Denmark. The Fund provides advisory services, participation in authorized capital, loans and guarantees on commercial terms to invest in services. When talking about how the employees of this organization fight corruption in Denmark, it should be noted that when signing loan agreements and sharing capital, the Fund actively uses model anti-corruption provisions.

THE THIRD TOPIC:

Challenges of DANISH experience in the fight against corruption

The World Transparency Organization on Denmark's Global Corruption Index 2020 (GCI) made a set of recommendations on further efforts to activate the fight against corruption in Denmark. These recommendations represent the totality of the challenges that continue to confront Denmark in the fight against corruption. These include:

- Improve the transparency of enforcement information regarding foreign bribery by developing a strategy and action plan to more effectively implement legislation on bribery of foreign officials.
- Adopt comprehensive whistleblower protection legislation covering both the European Union and non-European Union.
- Establish a permanent structure within national authorities to serve as the lead institution in the implementation of the anti-corruption strategy.

- Adopt higher corporate fines for bribery and the introduction of other sanctions imposed on natural and legal persons.
- Significant increase in people and financial resources needed to investigate corruption.
- Ensure that the police and the Danish Independent Commission have the tools and methods to investigate and prosecute foreign bribery, including, if necessary, raising the level of penalties.
- Ensure effective supervision and supervision of the enforcement of anti-money-laundering measures.

Conclusion:

Based on above, Denmark's issuance of international transparency indicators in the fight against corruption is not natural phenomena but a product of many legal and societal policies and mechanisms that make Denmark a leading example in the fight against corruption.

However, despite its effectiveness, this experience faces many challenges, particularly in dealing with bribery for foreigners, as well as the absence of legal frameworks to protect whistleblowers from reprisals, which is reflected in the reporting of reprisals' fears.

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