



## The Nordic model: More Ayn Rand, less Bernie Sanders

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Though Nordic populations have a reputation as self-sacrificing moral beings among Americans, they're close to cold-calculating Ayn Rand devotees for their political systems.

Anu Partanen, a Finnish immigrant (now an American citizen), explained the basis of the Finnish system in *The Atlantic*.

“This vision of homogenous, altruistic Nordic lands is mostly a fantasy. The choices Nordic countries have made have little to do with altruism or kinship. Rather, Nordic people have made their decisions out of self-interest,” Partanen writes. “Nordic nations offer their citizens—all of their citizens, but especially the middle class—high-quality services that save people a lot of money, time, and trouble. This is what Americans fail to understand: My taxes in Finland were used to pay for top-notch services for me.”

The Nordic countries don't tolerate high taxes primarily because they prefer a more egalitarian system that will support the poor. They tolerate them because taxes are seen as a way to efficiently provide services to all Finns. Or Swedes. Or Norwegians. Or Danes.

Taxation is high in the Nordic countries, but it isn't all that progressive. Value-added taxes, which tax consumption, fall heavily on the middle class. The tax code that is “the most progressive in the developed world,” isn't in Northern Europe. It's in North America, in the United States. Northern Europe relies less on the richest segment of the population to fund its government services by taxing the middle class at high levels. Northern Europeans have been more tolerant of this system because most of that tax money gets spent on them through high-quality services.

Europeans aren't all that different from Americans. They aren't so willing to let the government take their money unless they get something in return. The recent backlash against refugees in Europe reflects that: many Europeans don't want their taxes going to other people.

The Nordic model has had its success partially because, while they have high tax burdens and government spending, the residents of those countries have favored flexible markets and led efforts to reduce the socialist aspects of their systems since the 1970s. Those governments need economic growth and a dynamic economy to generate the tax revenue to cover public spending. As libertarian Will Wilkinson notes, Finland, Denmark, and Sweden rank in the top 10 in the libertarian Fraser Institute's index of human freedom.

The Nordic model, rather than a utopian dream of selfless communities, has coupled a selfish welfare state with a laissez-faire economic model.

“Nordics are not only just as selfish as everyone else on this earth but they can—and do—dislike many of their fellow citizens just as much as people with different political views dislike each other in other countries,” she writes. “The reason Nordics stick with the system is because they can see that on the whole, they come out ahead—not just as a group, but as individuals.”

That perspective is distinctly European, and one uncommon in the United States. Bernie Sanders can cite Denmark as what he wants the United States to look like, but his ideal Denmark doesn't resemble an actual Nordic society.

Besides, the transition isn't simple. The average American is better off than the average Dane. The American way, while filled with problems, does have its advantages. Middle-class voters know when they're being asked to pay more for less. That's why deficit spending is so much more popular than raising taxes. Voters notice a tax increase, but debt isn't paid for years, if not decades, so a popular revolt at the ballot box doesn't happen.

Even Bernie Sanders knows this. He's “understandably reticent about the kinds of taxes that would be necessary for his proposed plans,” as the Cato Institute's Jason Kuznicki noted.

Voters want politicians to make them better off. The American myth of Nordic utopia gives politicians space to promise voters that they'll be better off, and so will their poorer neighbors. The Nordic model has much to teach Americans, but to benefit from it, voters can't let politicians lie about it.