The Case for Nordic Institutions
Matt Bruenig, People’s Policy Project
Three Main Institutional Differences

The Nordic countries have much higher:

1. Union coverage
2. Social spending
3. State ownership
Percent of Workers Covered by Union Contract (2013)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIN</td>
<td>93</td>
</tr>
<tr>
<td>SWE</td>
<td>89</td>
</tr>
<tr>
<td>DK</td>
<td>84</td>
</tr>
<tr>
<td>NOR</td>
<td>70</td>
</tr>
<tr>
<td>USA</td>
<td>11.9</td>
</tr>
</tbody>
</table>
Public Social Spending as Percent of Total Consumption (2013)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIN</td>
<td>41.3</td>
</tr>
<tr>
<td>DK</td>
<td>39.8</td>
</tr>
<tr>
<td>SWE</td>
<td>39.4</td>
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<tr>
<td>NOR</td>
<td>38.9</td>
</tr>
<tr>
<td>USA</td>
<td>22.9</td>
</tr>
</tbody>
</table>
Result: Low Income Inequality

The Nordic countries have:

1. Smaller gaps between wage levels
2. Smaller gaps in disposable income
3. Lower poverty
Ratio of 90th Percentile Earnings to 10th Percentile Earnings (2013)

<table>
<thead>
<tr>
<th>Country</th>
<th>Ratio</th>
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</thead>
<tbody>
<tr>
<td>USA</td>
<td>5.08</td>
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<tr>
<td>DK</td>
<td>2.56</td>
</tr>
<tr>
<td>FIN</td>
<td>2.55</td>
</tr>
<tr>
<td>NOR</td>
<td>2.4</td>
</tr>
<tr>
<td>SWE</td>
<td>2.28</td>
</tr>
</tbody>
</table>
Overall Poverty Rate (2015)

- USA: 16.8%
- SWE: 9.2%
- NOR: 8.1%
- FIN: 6.3%
- DK: 5.5%
Elderly Poverty Rate (2015)

- USA: 17.6%
- SWE: 7.5%
- FIN: 2.9%
- NOR: 2.3%
- DK: 2.1%
Result: Humane Work-Life Balance

The Nordic countries have:

1. More paid leave for new parents
2. More vacation
3. Fewer work hours
Weeks of Paid Parental Leave (2016)

- FIN: 161 weeks
- NOR: 91 weeks
- SWE: 55.7 weeks
- DK: 50 weeks
- USA: 0 weeks
Weeks of Guaranteed Vacation (2013)

- SWE: 5
- NOR: 5
- FIN: 5
- DK: 5
- USA: 0
Hours Worked Per Worker (2016)

- USA: 1742
- FIN: 1635
- SWE: 1627
- NOR: 1429
- DK: 1414
Result: High Growth

Nordic economies grow at least as fast as the US economy.
Cumulative Growth in GDP Per Hour Worked (1970-2016)