



Small Great Nation

Social Cohesion in Denmark

August 2018



Preface

Collaboration between Kraka and Deloitte on the Small Great Nation project is a private initiative that analyses the long-term prospects for the Danish society. The initiative is independent of political ideologies and interests. The purpose is to map Denmark's strengths and weaknesses and to identify ways of ensuring welfare and social cohesion in Denmark in the future. The initiative utilizes existing research-based knowledge and, at the same time, contributes new, independent analyses that result in expert-based solutions to create a better Denmark.

This is the second collective report of the Small Great Nation project. In this report we analyse various aspects of "social cohesion" in Denmark.

The United Kingdom has decided to leave the EU, and a controversial president has been elected in the United States. In both cases, these outcomes are likely to have been the result of large disaffected groups of the population feeling that they have not received a fair share of the gains from economic development and who are unhappy with the consequences of globalisation. There is no sign of such sharp divisions in Denmark, but does Denmark have similarly disaffected groups of the population who are against the direction that social and economic changes are taking society, and, if so, why? Is there a real basis for this apparent disaffection, e.g., the effects of globalisation? The risk that parallel societies are developing in Denmark has gained considerable media attention, but what are the facts? Are Danes increasingly divided along lines of, for example, income, education and ethnicity? It is today's children who must ensure future long-term social cohesion. Do children from different socioeconomic backgrounds have equal opportunities to realize their potentials? And what skills are needed for the future?

Based on the analyses, we ask a number of key questions that we hope politicians, business leaders, professional experts and ordinary Danes will discuss and provide answers to. Hopefully, this will help to find solutions that ensure that, in the future, Denmark continues to be one of the most attractive places to live.

In the next report we will examine, in-depth, the labour market and other issues that are of central importance for companies to be able to produce efficiently. In the report after that we will look at the big issues related to the public sector and the future of the welfare state - can the bumblebee continue to fly?

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Happy reading!

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Executive summary¹

Lack of social cohesion can be serious

The social cohesion of a country is important. In the United States, a highly divided population has elected a controversial president, and a divided English population is facing an uncertain future outside the EU. The Catalonians have - with limited success - declared themselves independent and, due to geographical and cultural differences, Belgium was recently left without government for almost 600 days.

Things are going well in Denmark

Things are generally going well in Denmark, and the country has the foundations for a future of high prosperity and quality of life. In the first report from Small Great Nation, we demonstrated, among other things, that Denmark has an advantageous industry composition that enjoys the prospect of continued high global demand in the future. Denmark's institutions are good, which is very important for the country's economy, and its productivity is on par with other Western European countries. For many years Denmark has enjoyed increasing prosperity due to technological development and increased international trade. Denmark has settled its large external debt and is now enjoying good returns on foreign investment. At the same time, a considerable flexible supply of foreign labour to Denmark contributed to making the country richer and to reducing the risk of overheating in economic booms.

The global situation is serious

However, we are also looking out at a world that is suddenly characterized by rising protectionism and investment in obsolete and polluting industries - and a UK that is leaving the EU. These movements away from globalisation and international cooperation are taking place in democratic countries that are led by democratically elected leaders.

Denmark is united and adaptable

Our analyses do not indicate that Denmark's social cohesion is so strained that there are reasons to expect dramatic changes such as those in Britain or the United States, which is good news. The majority of Danes do not feel that they have been victims of very unfair economic changes or that the increasing number of foreigners makes Denmark a much worse place to live. On the contrary, the majority of Danes have a positive view of foreign labour, international trade and technological progress. This image is confirmed by a number of analyses: We demonstrate that there are significant gains from international trade, especially with emerging markets such as China, Southeast Asia and the new EU countries, and that the gains benefit all socio-economic segments of society. What's more, when companies use more foreign labour, more robots or are exposed to more import competition, most employees adapt well, either in their existing positions, or in new, equally well-paid jobs.

The Danes: Social cohesion is important and includes equality and homogeneity

The Danes also strongly agree that social cohesion is important, and most Danes associate social cohesion with a relatively high degree of economic equality, equal responsibilities and rights, as well as a good social safety net. This may be interpreted as general support for democracy and the welfare state. For a smaller group, having a common basis in the Danish language and culture is the most crucial factor for social cohesion. This may be perceived as support for cultural homogeneity, which may have existed to a larger extent earlier, and may be a sign of concern that Danish language and culture are under pressure from other cultures.

¹ This document serves as a summary in English of the full report titled "Sammenhængskraft i Danmark". The full report (Danish only) is available at www.sgnation.dk.

But cracks in the foundations

Even though Denmark does not have parallel societies to the same extent as the United States, there is evidence that social cohesion is deteriorating in several dimensions, and that a significant minority see the developments quite differently to how the majority see them. Thus, in general, Danes feel that cohesion has deteriorated, which is confirmed by analyses in the report. What's more, in terms of the Danes' fundamental concepts of social cohesion - economic equality, social security and equal rights – these have actually gone backwards: the gap between rich and poor has increased, the state is less generous towards people in need as previously, and rights are less equal, see, for example, the government's "ghetto initiative", which aims to place restrictions on people who are receiving transfer benefits from moving to vulnerable residential areas (hereafter: ghettos).

Unequal effects of globalisation

Consequently, there is a significant minority in Denmark that clearly feel that the overall development is not to their benefit. For example, people who have lost their jobs due to globalisation, people who feel they have not received a fair share of the economic gains, or those who believe that asylum seekers and family reunion immigration make Denmark a much worse place to live. Our analyses also show that, while the majority of employees in companies that suddenly take on a lot of foreign, low-skilled labour experience only low adaptation costs, there is also a smaller group that suffers a significant loss when they become unemployed. There are also negative effects on the income and employment of workers in companies that import robots. In companies exposed to Chinese import competition, there are primarily negative effects through wages.

Ethnic divisions

As mentioned above, a significant minority of Danes find that having a common Danish culture and language is crucial for social cohesion, and a minority of Danes believe that Denmark would be a much better place if refugees and family reunion immigrants left the country. Our analyses show that there is a tendency towards increased segregation between ethnic Danes and immigrants living in Denmark. Based on Facebook data, we find that Danes and residents with Middle Eastern backgrounds send relatively more negative comments to people outside their own group than to people who look like themselves. What's more, interaction between ethnic Danes and those from Middle Eastern backgrounds on Facebook is decreasing. This may be the result of increasing differences between ethnic groups, and this could weaken the social cohesion.

Geographic segmentation by income and education

There are also indications of increasing geographical segmentation along income and education lines - the highly educated move to the cities, while the low-skilled remain in regional Denmark. What's more, our analyses show that children are also increasingly divided geographically according to their parents' income. Furthermore, we demonstrate that classmates are influential for an individual's future education, employment and income. This means that there is an economic gain from simply growing up in a more affluent area. A more even distribution of children in primary and lower secondary schools across socio-economic backgrounds can give significant socio-economic gains and result in a more equal distribution of income. In addition, segmentation according to parents' income and education as early as primary school is problematic because of the fact that it is the children who will ensure social cohesion in the long run.

Complex news media landscape

Despite extensive debate about fake news spreading on social media, the majority of Danes continue to get their news from quality journalistic sources and are critical of their own ability to distinguish truth from falsehoods. This is positive because fake news can contribute to polarization and jeopardizes cohesion, as became apparent during the US presidential election campaign.

Misinformation leads to distorted perception of reality

However, today's more complex media landscape makes it more difficult to distinguish truth from falsehoods, and smaller groups in the population are at risk of forming distorted perceptions of reality because their media comes from sources that are largely not journalistic. Certainly, fake news is much discussed, but the biggest problem may well be the increasing amount of misinformation, i.e. highly distorted information that is presented as being true. Misinformation can be difficult to deal with, as measures to prevent it may violate freedom of speech.

Effects of imprecise information

Differences in perceptions of reality and lack of knowledge of other cultural groups within the population can, however, increase the disparity between cultural groups by increasing fear or

	antipathy and possibly harm cohesion. Inaccurate or inadequate insight can lead to choices that are not in the individual's own interests and to a more polarized society.
A number of limited challenges	Thus, there is no single threat to social cohesion, but there are a number of areas with limited but increasing challenges. The solution, therefore, does not exist in a single powerful instrument, but in a variety of smaller measures.
Adaptation and education are key	Globalisation is changing the composition of production in Denmark, which means that companies now demand different skills and different combinations of skills than before. All other things being equal, the better Denmark is able to ensure that the workforce's skills match these developments, the lower will be the adjustment costs of globalisation, and fewer Danes will lose out as a result. We therefore focus sharply on the skills of the workforce across education categories. As part of this, we look at how Denmark can best equip the current and future workforce with the skills to contribute to economic prosperity and how to avoid future losses of large groups in the workforce due to unsuitable or poor skills. The need for skills is increasing, and there are some skills that need to be mastered by most people, i.e., basic social and analytical skills. However, there is also a growing need for more specialists in particular areas, such as "programming" and "operations analysis".
Specific educational needs	The analyses also point to more specific educational needs. Thus, the absence of a code of good and respectful conduct on social media could be a contributing factor to the problems, and the solution may be to teach such behaviour. Similarly, the solution to the problem of fake news, spread (mainly) via social media, could be to provide education in how to identify fake news and misinformation, along with the active dissemination of factually correct information.
The causal links are not clear	The causal links are unfortunately not always clear. Therefore, we cannot be sure whether globalisation is causing the disaffection that some groups feel, or whether these groups were already disaffected and sceptical about, e.g., the EU and international trade before globalisation really took hold.
Why isn't the situation worse?	That, overall, the analyses indicate that Denmark is not about to break apart may be because there is broad consensus that Denmark has a well-functioning society and labour market system. Most workers affected by globalisation have quickly found new jobs and have, therefore, not experienced significant falls in income, and along the way they have been helped by the social safety net. In Denmark, the discussion about the number of asylum seekers and family reunion immigrants was on the agenda relatively early, which, in comparison to Germany and Sweden, for example, resulted in a very limited influx of these groups, without completely closing borders, as in some eastern countries. Earlier work on Small Great Nation has shown that it is regional Denmark that has been particularly affected by increasing import competition and foreign labour. The fact that this has not been reflected in a strong increase in unemployment in these areas is due to the fact that the number of unskilled workers in the Danish labour market has fallen sharply over the last 20 years, despite the access to a large number of low-skilled foreigners. At the same time, the workforce in the country regions has fallen due to the large increase in youth migration from the country to city to undertake higher education.
Repair cracks before they get too big	The cracks in social cohesion are still limited, but they are there, and they can grow over time, so there is good reason to take them seriously and solve the problems while they are still manageable.
Contents of the summary	In this executive summary, we first summarize the key results of the many analyses that form the basis of the report. Next, as part of the effort to ensure a highly socially cohesive society for the future, we present a number of discussion points that policymakers, business leaders and the general public can take a stand on.

Key analytical results

The reports key analytical results are:

- We define a country as being highly socially cohesive if:
 1. Individuals believe that their own success depends positively on the success of others – ultimately, on the success of the whole society.
 2. The individual feels an obligation to contribute to the success of others and the entire society and believes that others have a similar obligation.
 3. The population has a fairly uniform view of what defines a successful society.
- The results of our survey show that the Danes believe that the following are most crucial for cohesion: That everyone has equal rights and responsibilities in the welfare state, that the gap between rich and poor does not become too large, and that the state takes care of people who need it.
- In international comparisons Denmark scores high on social cohesion. For example, of all the EU countries, Denmark is the one in which the most people believe that they have the same opportunities to succeed in life as others in society. Only surpassed by Finland, Denmark is also the country in the EU in which most people trust each other. And finally, Denmark is one of the countries in the world with the lowest economic inequality. All three scores are close to the Danes' own understanding of what social cohesion means.
- However, some suggest that cohesion is under pressure, and a good seven out of ten Danes believe that social cohesion has deteriorated over the last decade.
- Almost every tenth Dane does not feel they are enjoying an equitable share of the economic growth – we refer to people in this category as "economically disaffected". People outside the labour market and public-sector employees in the social and health services sectors are overrepresented in this group. The overrepresentation of public employees is surprising given that other Kraka analyses show that wages in this sector have kept pace with those in the private labour market. However, it is possible that this situation is due to general resource scarcity in those particular parts of the public sector, which has consequently led to poorer working conditions.
- Just above one in ten Danes believes that asylum seekers and family reunion immigrants make Denmark a much worse place to live - we refer to this group as the "value-disaffected". The value-disaffected group are under-represented in Copenhagen, but neither under, nor overrepresented elsewhere in the country.
- The economically disaffected have a far more negative opinion of the labour market reforms over recent years than the population as a whole. And both the economically disaffected and the value-disaffected group are EU sceptics. Overall, 2/3 of the Danish population want to remain in the EU, while the majority in both the economically disaffected group and value-disaffected group want to leave the EU.
- Individuals are defined as being "negatively affected by globalisation" if they indicate that they have lost a job within the past ten years due to outsourcing, automation or immigrant labour. This group amounts to approximately 18 percent of the population and a good 10 percent of these are economically disaffected, while a good 6 percent of people who have not been negatively affected by globalisation are economically disaffected when differences in background characteristics between the two groups are controlled for. Correspondingly, a good 17 percent of those who have experienced negative effects of globalisation are value-disaffected, while the value-disaffected account for 11 percent of those who have not been negatively affected by globalisation, when differences in background characteristics are controlled for. Thus, individuals who have experienced job loss due to globalisation in the broad sense are more likely to be economically disaffected and to be value-disaffected than the population as a whole.

- We analyse the tone of the debate using Facebook data and identify the individuals' cultural backgrounds based on their names. We focus on people with a traditional Danish cultural background and people with a Middle Eastern cultural background. Generally, people with a Danish background write fewer negative comments about each other than about people with Middle Eastern backgrounds. Likewise, people with a Middle Eastern background send fewer negative comments to each other than to Danes. Negative comments between different groups can be a sign of deteriorating social cohesion, and it may further reduce cohesion.
- Parallel society?**
- Analyses based on Facebook data also show that the population groups with Danish and Middle Eastern backgrounds have, to a large extent, closed themselves off over the relatively short period, 2013 to 2016. Both groups now have fewer interactions with people from the other group than before. This indicates that the Danish population is increasingly ethnically segregated, which may impair cohesion.
 - The gap between the ghetto areas and the rest of Denmark continues to grow in terms of ethnicity, education and income. However, in spite of this, the amount of crime in the ghettos is falling more than in the rest of Denmark, and the performance of young people in the ghettos has improved compared to other youngsters. With regards to crime, just living in a ghetto itself can negatively affect children and young people. It is therefore positive that there are improvements on these points.
 - The highly educated are congregated in the cities. Educational attainment of the labour force has increased in all areas over the last 15 years, but to a significantly greater extent in and around the larger cities than in the rest of the country. This trend is especially evident for people with 5 years or more tertiary education, but it also applies to those with shorter and medium length (2 to 4.5 years) post-secondary education. Young people are moving away from the regional areas, particularly those with higher education attainment.
 - Previous analyses in Small Great Nation point out that it is the outermost regional areas with a relatively large amount of industrial production that have been particularly affected by internationalisation and increased foreign labour. It is thus likely that the migration from country to city has helped reduce the adjustment costs resulting from globalisation, because, despite immigration, the supply of unskilled labour in the regional areas has decreased.
- Cohesion in primary and middle school**
- Families with children are increasingly geographically segmented by income. The geographical separation of the richest 20 percent of families with children from other families with children has increased by 30 percent over the last 20 years. The geographical separation of the poorest 20 percent of families with children from other families has risen by almost 20 percent over the last 20 years. In addition to the fact that the wealthy and the poor families with children increasingly live more geographically apart, the wealthy have become proportionately richer. The average income of the wealthiest 20 percent of families with children today is approximately 3.5 times higher than the average income of the poorest 20 per cent of families with children, which is a marked increase in the ratio of 2.5 that prevailed about 20 years earlier.
 - In an analysis we show that classmates in elementary school have a direct impact on the individual student's performance at school and on education attainment, employment and income outcomes later in life. This effect is of a considerable magnitude, which makes classmate effects interesting from a policy point of view.
 - Classroom effects are generally greatest for the students in the lowest socio-economic groups, i.e., students whose parents have low incomes, while the effects are largely zero for students whose parents have high incomes.
 - There are no additional effects of going to school with non-Western students apart from the effects of their socio-economic family background. However, this only applies when there are fewer than 15 percent of non-Western students in the class. The analysis indicates that if a class comprises more than 15 percent non-Western students, there is a negative effect on the income of the others in the class 20 years after primary school.

The effects of globalisation

- A completely even distribution of students by parental background and origin could potentially give a total annual gain of up to 11 billion Danish kroner.² Thus, a more even distribution of strong and vulnerable students in the classes can both reduce inequality and increase overall prosperity.
- We also find that students with low socio-economic backgrounds are taught by academically weaker teachers than other students. This may be because it is less attractive to be a teacher at a school with vulnerable students. However, the difference is small, resulting in at most a 0.1 grade point difference. Nevertheless, it is an example of indirect redistribution from students in low to those in high socioeconomic groups.
- There are general gains from globalisation, for example, it is possible for Danish consumers to buy cheaper goods. However, there is also a smaller group of people who have been affected negatively, for example, they have been fired due to immigrant labour or automation.
- Goods from China, the EU-13 countries and Southeast Asia are between 10 to 50 percent cheaper than corresponding goods imported from high income countries, but the goods are also of poorer quality. When adjusted for the lower quality, the gain for Denmark in trade with these countries is 7 billion Danish kroner per year, which is equivalent to 1,200 Danish kroner per person.
- Import shares are fairly constant across income groups. This and other analyses indicate that all income groups receive the same percentage gain from trade with China, the EU-13 countries, etc.
- Approximately three out of four Danes are positive about globalisation and believe that people who come to Denmark to work, international trade and automation and technological development make Denmark a fundamentally better place to live. However, this also implies that a significant minority, approximately one in four, disagrees with this.
- When an industrial robot is used in a workplace, the average income of the employees subsequently declines. This is due to a combination of lower wage growth for the employees who stay with the company and an increased risk of unemployment. In the years following the introduction of robotics in a workplace, the workers' wages are, on average, 4 percentage points lower, and unemployment is 1.5 percentage points higher than for workers in firms that had not introduced robots. This indicates that, while automation increases overall productivity and prosperity, there are some people who bear significant adjustment costs.
- When a company faces increasing competition from Chinese imports, their employees' average income is subsequently reduced. This is due to slower wage growth in the company, while overall there are no signs of higher unemployment. The average income is 2 percentage points lower five years after the increase in competition. However, an exception to this is companies where Chinese import competition increased during the global financial crisis. In this case, employees experienced significantly greater losses, for example, the income of employees of companies who faced increased Chinese import competition in 2008 was a total of 9 percentage points lower five years later.
- When a company hires more low-skilled workers with foreign backgrounds, the income and employment of the existing workforce declines as a consequence. It is predominantly the low- and vocationally-skilled who bear these losses, while high-skilled workers bear only a limited loss. The analysis also indicates that it is particularly those in jobs involving routine or manual tasks who are replaced by foreign labour. However, the vast majority do not experience any loss of income. The adjustment costs are borne almost exclusively by those people who lose their job. Of these people, approximately half of the total cost is borne by those who become unemployed for a longer period, while the other half of the cost is borne by those who find a new job but at a lower salary. The income loss per affected person is far greater for those in the first group. However, the analysis also shows that the adjustment costs of leaving the workplace are greater when this follows an influx of foreign labour than when leaving the workplace for other reasons.

² Calculated in 2016 prices and levels.

Media and fake news

- We have analysed Danish news sources in a comprehensive survey. The use of non-traditional news sources has increased. To a greater extent than previously, this exposes the individual Dane to a news-media mix that is not produced according to the codes and practices of traditional journalism. In itself, this increases the likelihood that individuals become misinformed and then make choices that are not in their own interest. An example of fatal misinformation is the many young females who have not received the HPV vaccine to prevent cervical cancer – from which 25 women in the 2003 birth cohort alone are expected to die as a consequence, later in life.
- A good third of Danes believe that they are often or sometimes exposed to fake news, and over half believe they are exposed to news that contains factual errors. Large groups are, therefore, exposed to what can be called direct fake news, so they need to make a special "screening effort" to determine whether a news item is trustworthy, and they run a high risk of being misinformed.
- The vast majority of Danes continue to get their information from traditional journalistic media and are critical of their ability to identify fake news. However, for a total of 12 percent of Danes, social media is their primary source of news, and this group trusts social media to a greater extent than others. This is particularly worrying because this group has many young, inexperienced people in it.
- In all, 10 percent of this group, i.e., a good 1 percent of the population, do not get any of their news from reliable journalistic sources, and they must, therefore, be considered to be news illiterate, and at high risk of believing fake news. This is a serious situation for this group, but it is heartening that this group, despite everything, is not bigger.

Which skills will Denmark need?

- Globalisation has induced changes in the production structure in Denmark, which has led to a general increase in the need for skilled workers. This applies to both skills and knowledge. We measure this by combining the necessary skills and knowledge required in numerous job functions with the trends in the composition of job functions.
- For skills, the increase has been particularly pronounced in terms of "basic skills"³, and "analytical and IT skills", as well as "social and managerial skills". Conversely, demand for traditional technical skills has declined.
- As regards knowledge, there has been increasing demand for social and business knowledge, knowledge of technology, computers and media, as well as mathematics and scientific knowledge. Conversely, there has been weaker growth in the need for knowledge in health and humanities.
- Basic and social skills are sought after in many job functions and often in combination with managerial or analytical skills. Therefore, most people need to possess basic and social skills, which could, thus, be included in the elementary school curriculum.
- Demand is strongly increasing for people with operational research and programming skills, hence, more people should be trained in these skills. However, since these skills are sought in a limited number of job functions, and for programming, to a lesser extent, in combination with other skills, it is not necessary for everyone to obtain these skills. As only a limited number need these skills, they could be included as electives courses in relevant vocational education and training programs.

³ E.g., reading, arithmetic and critical thinking.

Questions for discussion

The analytical results raise a number of questions and possible solutions. The purpose of the work of Small Great Nation is to open up discussion, not close it. Therefore, we will not suggest answers below, rather, we only ask the questions.

Social cohesion and the disaffected

- Is it a concern that almost every tenth Dane is "economically disaffected", i.e., they believe that they have not received a fair share of the economic growth, that every tenth Dane is "value-disaffected", i.e., they believe that asylum seekers and family reunion immigrants make Denmark a much worse place to live? As there is no Danish version of a 'Trump' on the horizon, how much concern should be given to these groups in themselves? Is it possible for them to grow larger in the long run and through their democratic weight gain influence? And what would that mean for the development of social cohesion and prosperity?
- Those who have been negatively affected by globalisation, i.e., those who state that they have lost a job due to globalisation, as well as public sector workers in social and health services, are more economically disaffected than others. Special measures could be considered to assist those affected by globalisation, but what is the cause of the pressure on some of the public-sector employees, and what should be done about it?
- Two out of three Danes want to stay in the EU, while the majority of the economically disaffected and value-disaffected want to leave. Although a "Dexit" is hardly in the offing, a significant minority are fundamentally opposed to the EU-project. Is it time to slow the pace of EU expansion so that all people can benefit? Or is it rather the EU's paralysis in dealing with the refugee crisis that is the problem, and is the answer, therefore, to increase the EU's decision-making power at the expense of the powers of member states?
- The tone of the debate depends on who you are talking to. In one of the analyses, we find that, in general, people adopt a more hostile tone when speaking to people from other "groups" than when speaking to people from their own "group". How can this be changed? Should there be any change, and if so, whose responsibility is it? What can, for example, politicians and other opinion makers do to improve the tone of debate? Facebook groups can be closed and people penalized for making, e.g., racist statements. However, this limits freedom of speech, which far and away the majority of people regard as a fundamental value in an enlightened democracy. How much weight should be placed on freedom of expression? Is there a need to develop and teach a set of codes of behaviour for social media and provide more information about the consequences of adopting a hostile tone?

Parallel society

- One's choice of friends is a private decision, but if cultural groups segregate, cohesion can be jeopardized. So, what can be done to increase the contact between individuals from different groups? Should, for example, politicians take action?
- Certain aspects of problems that negatively impact residents in "ghettos" have been reduced. On this basis, are there any elements in the government's extensive ghetto measures that should be fine-tuned so that, for example, focus is placed on vulnerable groups in general rather than placing particular focus on the residents of the ghettos?
- The population, and especially the highly educated, is becoming more and more concentrated in the cities, while regional areas are experiencing depopulation. This trend has resulted in much governmental focus on regional areas in recent years. Population concentration in cities improves our productivity, but increasing geographic segregation based on education can impair cohesion. How should these considerations be balanced?

Cohesion and primary and middle school

- Families with children are becoming increasingly segregated, such that fewer children now live in the vicinity of children from different socio-economic backgrounds than previously. Is there a problem with social mobility? Should political action be taken to prevent increasing segregation, e.g., through urban planning?
- If students with different socio-economic backgrounds are distributed evenly across primary schools, social immobility and inequality would be reduced, while at the same time, overall economic well-being can be increased. It is rare that these considerations do not conflict with

Effects of globalisation

each other. However, an even distribution of pupils across socio-economic backgrounds can result in a loss for some students, and this may conflict with, for example, the free choice of schools, including private schools. Is this an adequate argument against a more even distribution of students, or should measures just be put in place to get it started? And how could a more even distribution of students be achieved without violating fundamental rights in the school system?

- Socio-economically disadvantaged students have weaker teachers, but only slightly weaker. Is this reason enough to intervene or can this be considered to be a minor issue that does not require further action?
- Globalisation gives economic benefits to broad sections of society, and the majority of Danes are positive towards foreign labour, international trade and new technology. However, approximately 1/4 of all Danes are sceptical about these developments. Is 1/4 so much that measures should be sought to actively slow down these developments? Or should we focus more on, e.g., continuing education, to ensure that the gains are actually distributed differently, with fewer experiencing losses from globalisation? Is scepticism just due to a lack of understanding or insight into the gains? Or are the adjustment costs the price that has to be paid for progress, and we just have to live this?
- When companies employ more foreign labour, adopt new technology or are exposed to increased Chinese import competition, some of the employees have reduced incomes for a number of years, either directly due to unemployment or due to lower wage growth within the companies. In other words, these affected workers bear the adjustment costs of making companies more productive. Moreover, the affected workers feel economically disaffected and value-disaffected to a greater degree than other groups, which may challenge social cohesion. Companies' productivity gains should not be curtailed, but should more be done, than is currently the case, to improve the job prospects of those who are affected negatively by globalisation? Could this call for special active labour market policy measures, or for special measures in the continuing education system?
- A large minority of Danes believe that asylum seekers and family reunion immigrants do not make Denmark a better place to live. Has immigration policy now found a form that reflects the wishes of the people? The anti-immigration sentiment is considerably less against foreign labour. Is there a clear political distinction between the two groups of immigrants?

Media and fake news

- Danes are exposed to a news media mix that has lower reliable journalistic standards today than previously, which increases the need for individuals to screen news items to determine which are true and which are false. This particularly exposes the low-educated and young people to risks of believing something that is untrue and consequently making decisions that are not in their own interests. Thus, there are good arguments for a system of accreditation for news that meets journalistic standards and for objective experts who convey factual knowledge in different disciplines. Should government support for the media be increased for these reasons? Are savings on major public service institutions such as Denmark's Radio and TV 2 simply a step in the wrong direction? Can one imagine publicly funded, but politically independent, knowledge agencies that have a strong focus on disseminating knowledge to the population?
- A limited group of people must be regarded as being news illiterate. Should there be targeted efforts made to raise this group's level of knowledge, or is it not worth the effort?

Which skills does Denmark need in the future?

- Denmark has experienced a general increase in the demand for skills, which can be expected to continue in the future. This applies, in particular, to basic skills such as reading, writing, arithmetic and critical thinking, IT-related and analytical skills, as well as social and managerial skills. Does Denmark's education policy have the right focus? And what should primary and middle schools primarily concentrate on - the basic and traditional skills that seem to be applicable to all possible future functions, or more specialised skills that address specific current needs?