

## Abstract

*Niels Henning Bjørn og Peter Brixen*  
**Trade and Prosperity**

Denmark has always been dependent on international trade. Based on a description of what economic theory implies for the causes and consequences of trade, some of its implications are confronted with various empirical analyses. It is concluded that trade does benefit the trading countries, but also that it may cause losses for some specific groups in the short term. Looking at Danish trade statistics, it appears as if a major restructuring took place in the 1960's following trade liberalizations within Western Europe, while changes since the mid-1970's have been more gradual. It is therefore questionable if the concept of globalisation represents a true structural break, as far as trade in commodities is concerned.

*Peter Maskell*  
**Globalisation and the latitude for industrial policies in small countries**

It is commonly assumed that a country's level of economic development is closely associated with how new fixed investments are guided towards high-tech sectors and how research-intensive high-tech products increase in the manufacturing output and the exports of the country. While true for the largest economies, OECD-data show how the assumption is undoubtedly erroneous for the small. The

chapter investigates possible reasons for small high-income countries like Denmark to stay low-tech even in the face of globalisation. It is argued that incremental localised knowledge-creation in low-tech sectors has enabled firms in high-cost environments to remain competitive. Finally, fears are expressed regarding the consequences for the countries social coherence when the demand for unskilled labour dwindles as globalisation progresses.

*Sven Bislev*  
**Denmark in the Globalisation Trap?**

For Denmark, "globalisation" or internationalisation means that the traditional status of being a small state on the one hand becomes a greater liability, because larger forces are at work, and on the other hand it is of less relevance because international co-operation enhances the influence of all participating states. Some parts of the traditional basis for the state, politically and economically, disappear, and the processes of maintaining and reproducing national identity and national democracy grow in importance. The "globalisation trap" for Denmark means that the welfare state loses some of its means of operation, and that the socio-economic and political balance maintained in the welfare state is made increasing pressure.

*Michael Møller og Niels Chr. Nielsen*  
**Finance and Globalisation**

There is no strong trend towards internalisation/globalisation in financial markets. In many ways, the degree of internalisation is today where it was before 1914. The net foreign debt/GDP in Denmark is today lower than it was in 1912. A larger share of Danish mortgage bonds were in foreign hands then than today. However, we are probably going to have some growth in international portfolio investments, with Danes buying foreign stocks and foreigners buying Danish stocks. At the same time there is probably going to be some growth in foreign direct investment both in and out of the country. But it is a slow and undramatic process.

*Nils Bredsdorff*  
**On Comparative Method in Public Administration Theory**

Some basic problems arise in the theory of public administration when comparing several complex social systems over time or over geographical space. The problems are not primarily those of technical compatibility but emerge out of the very way social systems are created. Contextual dependency and inner dynamic are decisive and require detailed historical studies of their development. This, at best, makes the comparison of selected data on systems difficult. The particular characteristics governing the creation and development of administrative systems underscore this. For these reasons, the article argues in favour of a renewed methodological debate in public administration theory.