What else we might learn from Norway

Your Turn

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Guest columnist

Earlier this year, one of my opinion pieces noted the relative success of Norwegian athletes with respect to the Winter Olympics.

With 442 medals, Norway tops the leader board when it comes to the cumulative number of medals earned since the inception of the Winter Olympics in 1924. The United States is second with 363 medals. Norway's success is even more impressive when performance is measured on a per capita basis. At the most recent 2026 Winter Olympics, for example, Norway topped the per capita medal productivity leader board by earning one medal for every 135,000 citizens.

By comparison, the United States, finished near the bottom among medaling countries with one medal for every 10,243,000 citizens.

My prior opinion piece offered observations for what other countries could learn from Norway when it comes to excelling at the Winter Olympics. However, there is another, even more vital aspect of national performance for which Norway provides an admirable example and that involves the fiscal management of the country. Since 1981, the government has run a deficit in only four years. By contrast, over the same 45-year period, the U.S. government has run a deficit in all but four years.



Largely due to the skillful management of its energy resources, Norway has managed to save for the purpose of accumulating net assets and thereby better secure its country's future well-being. The country's assets substantially outweigh its liabilities, notably on account of the Oil Fund that Norway established in 1990 and has since built into the largest sovereign wealth fund in the world.

Norway's Oil Fund has been built up through taxes levied on companies exploring for and producing hydrocarbon resources such as oil. The Fund is presently worth $2.3 trillion – about $400,000 in net wealth per Norwegian citizen.

Through its Oil Fund, Norway has been able to avoid the "resources curse" typically observed afflicting nations blessed with an abundance of natural resources such as oil, gas, minerals and critical materials. A bounty of natural resources has a dulling effect on entrepreneurship, diversification and a government's incentive to both invest in public goods such as education and to be held accountable for the productivity of such investments.

Norway is a world leader in per capita gross domestic product (GDP): $105,877 as of 2026. By contrast, U.S. per capita GDP is $94,430.

While the U.S. has nearly six times Norway's proven crude oil reserves, our national debt now exceeds $40 trillion – $120,000 per American citizen. This debt burden has grown appreciably since 2020 as federal government spending has consistently outpaced tax collections regardless of whether economic times are good or bad and irrespective of which major political party controls the executive and legislative branches of power.

The interest that must be paid on our national debt now totals $3.1 trillion per year or roughly $3.2 billion per day and is increasing rapidly. In 2024, the interest paid on our national debt exceeded our spending on national defense for the first year in our nation's history. Furthermore, over the coming decade, interest expenses are projected to be the fastest growing major component of national spending, exceeding other categories such as Social Security and Medicare.

Given the ballooning deficits and cumulative debt, the willingness of lenders to continue to extend credit to our federal government is being tested. Driven by concerns over the government's ability to pay off its loans, the interest or yield that the United States Treasury must pay for the long-term securities that it issues has been increasing. The yield on 10-year Treasury securities has risen to 5.25 percent, double the average rate in the 2010s. The rise adds appreciably to the annual interest costs associated with our national debt.

Prospective lenders are becoming more reticent to hold U.S. government debt relative to other financial assets. For example, the manager of Norway's sovereign wealth fund has announced plans to reduce its holdings of U.S. Treasury notes by $80 billion. The fund has proposed shifting a larger share of its holdings to U.S. non-government debt and unlisted real estate and renewable energy assets. The proposed Norwegian shift away from Treasuries follows a similar move by Dutch pension fund ABP, Europe's largest. Since December 2024, ABP has reduced its holdings of U.S. Treasuries from $34 billion to $5 billion.

When it comes to going for the gold (and other medals) in the Winter Olympics or setting the gold standard with respect to government fiscal management, nations like ours could learn a lot from Norway.

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