

The Scandinavian Democratic Model

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The dynamic and expanded democratic model has engendered much domestic debate about means and ends. This has been, on balance, a source of reinvigoration.

In the voluminous literature of political inquiry, democracy is at once a central focus of normative discourse and a recurring topic of empirical investigation. It is a 'problem', a 'solution', and a 'process'. The debate on democracy extends far beyond academic circles; the term is widely used and abused by the propaganda of twentieth century politics. In this epoch, we are all 'democrats'. The 'will of the people' is the legitimizing myth of the age. The power to interpret that will is the power to rule.

This study compares and analyzes the development, content, and prospects of democracy in a relatively small corner of the world where the concept enjoys nearly universal support. Scandinavian democracy has received considerable attention from both domestic and foreign social scientists in recent decades. With important exceptions, these studies have focussed on specific facets of the Scandinavian democratic experience; we draw extensively upon them in the following comparative analysis of three fundamental questions. How is Scandinavian democracy *applied*? How have its *goals* changed in recent decades? Finally, have Scandinavians developed a *specific model* or form of democracy that permeates everyday life?

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imprecise, and continuously changing. Democracy is a quintessential 'moving target'. Even in the Scandinavian countries, new studies appear periodically in response to an apparent need to reinterpret, reassess, and extend the body of knowledge about the democratic experience in these small countries, not least because that experience has continued to evolve. Since World War II, three massive and multi-authored volumes have appeared on the subject, two of them written in English (Koch & Ross eds. 1949, Lauwerys ed. 1958, Allardt et al. eds. 1981). In addition, numerous monographs and articles have illuminated general and specific facets of Scandinavian democracy, while others have compared the Scandinavian experience with other democratic societies. Clearly it is not a neglected topic.

Our focus is upon one crucial characteristic of Scandinavian democracy: its extension in the last half century from the narrowly governmental sphere to the social and economic spheres. Although not unique to Scandinavia, developments in the region are more advanced, particularly in the economic sphere. They are tentative and, unlike parliamentary democracy, remain a bone of political contention. To speak of a 'Scandinavian democratic model' is not to imply the existence of a detailed social blueprint in these countries, nor is it a recipe for other societies coping with the dilemmas and contradictions of our times. The term 'model' as used here is our sketch of salient trends in Denmark, Norway, and Sweden which are likely to be of interest beyond the confines of Scandinavia.

Definitions of Democracy

Definitions tell us little about the world, but they can encourage discourse and systematic study. They may reveal something about a concept's complexity and context. In looking at the numerous definitions of democracy two things stand out. First, nearly all modern definitions are qualified by prefixes such as 'representative', 'constitutional', and 'political'. Arend Lijphart's recent study notes that democracy in its literal and everyday meaning, 'government by the people', still requires Lincoln's qualification as 'government for the people', as perfectly democratic government would always act 'in perfect correspondence' with the desires of all citizens (1984, 1). Lijphart is content to build upon another eminent scholar of democracy, Robert A. Dahl, who prefers to use the term 'polyarchy' instead of political democracy. Dahl (1971, 3) lists eight conditions traditionally associated with constitutional democracy:

1. Freedom to form and join organizations
2. Freedom of expression
3. Right to vote
4. Eligibility for public office
5. Right of political leaders to compete for support and votes

6. Alternative sources of information
7. Free and fair elections
8. Institutions for making government policies depend on votes and other expressions of preference

In a later study, Dahl discusses specifically a criterion of 'effective participation' as well as the organizational requirements of mass democracy (Dahl 1982, 6, 10).

Secondly, nearly everyone discussing the concept emphasizes its multidimensionality. In this context, F. W. Neal's definition (1964, 187) is useful:

In its most general sense, *democracy* denotes a way of life in a society in which each individual is believed to be entitled to an equality of concern as regards the chances of his participating freely. In a more limited sense, *democracy* denotes the opportunity of the members of the society to participate freely in the decisions, in whatever realm of life, which affect their lives individually and collectively.

With time and success the standards for multidimensional democracy rise. As Giovanni Sartori (1968, 117) notes, in the Anglo-American and Scandinavian countries

democracy denotes *more* than political machinery; it also denotes a way of living, a 'social democracy'. In particular these democracies have gone a long way toward the maximization of equality – equality of status, of opportunity, and of starting points.

Other definitions treat democracy as a *process*. For Joseph Schumpeter democracy is 'that institutional arrangement for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for votes' carried on between parties; the performance of the functions of government in his model is incidental to the competitive struggle for power (Schumpeter 1950, 269–283). G. Bingham Powell emphasizes a competitive requirement; i.e. there must be at least two parties or blocs capable of winning an election and forming a government (1982, 3). In order to make his study comparative on a global scale, Powell, like Lijphart and Dahl, focuses on rather *basic* criteria for a functioning political democracy. The Scandinavian democracies have transcended such fundamentals, although of course they recur in new contexts.

All of these studies recall dilemmas discussed at length by John Stuart Mill. In large political communities, the democratic process must be channeled through representative institutions. Inclusive citizen assemblies, the ideal of classical Athenian democracy and still visible in Swiss and New England local government, cannot function in large polities. Mill's works were influential in nineteenth century Scandinavia (Scott 1977, 403). Even in the smallest Scandinavian communities (whether local or sovereign) direct assembly democracy is absent. Under specific conditions direct democracy does occur in the form of referendums, but they are subject to substantial constitutional limitations and restrictions.

The necessity of representative institutions and the delegation of power does not detract from the contemporary analysis of democracy. The studies cited above are typical of current research in investigating two dimensions. First there is renewed interest in *institutions*. Eclipsed by behavioral topics in some social sciences during recent decades, institutional questions have been rediscovered as essential for an understanding of how political ideas and values are turned into action. Institutions also have the advantage of being comparable over time and across space (March & Olsen 1984). Forms of participation have joined the delegation of power and representation as essential attributes of modern democracy. Secondly, modern studies must consider the *scope* of democracy. How much of social life is and ought to be 'democratized'? How far may the principles of democracy reasonably be extended to social and economic relationships that are rather remote from the central and traditional concerns of government? Can too much democracy, especially in the form of populist participation, jeopardize other civil rights as well as effective government? An important aspect of Scandinavian democracy has been the transcendence of the narrow political focus of democracy. The recent Scandinavian discussion of democracy has been very much concerned with social and economic issues as well as cultural, educational, and judicial policy questions (K. B. Andersen 1981, vii-viii).¹

These overlapping definitions underline the fundamental dimensions of Scandinavian democracy. The first element is *liberty* or those individual freedoms and rights which require enforcement and guarantees by the state. The second is *participation* or the ability to take part in political decisions, especially those decisions that will have a direct impact on the involved citizens. Finally, there is the dimension of *equality* or the roughly equal opportunity of citizens to participate in a country's political process. It is particularly in this third dimension that the recent Scandinavian debate has differed from other pluralistic political systems (Martinussen 1977, 3). We have noted that no mass democracy can claim that nearly all citizens participate equally. All governments – democratic or authoritarian – require that administrative and even substantial decision making powers be delegated to public officials. However, democratic governments must consider and justify their deviations from equality of political power. The important word here is *opportunity*. Do people have reasonably equal resources and opportunity to exercise their civil and political rights? Can such rights be divided into often abstract categories as 'civil, political, economic, and social'? What connections are there between such rights and political resources? Scandinavians have been prominent in the thoughtful discussion of these questions. The Norwegian scholar Stein Rokkan (1966) summed up the distinction between formal participation and political resources in a pithy phrase, 'votes count but resources decide.'

The Content of Democracy: Political, Social and Economic

In the past twenty years *participation* and *equality* emerged as the paramount and core values of Scandinavian democracy. An American observer will note that civil rights, liberty and freedom have received less attention. Why? The answer is that there are no significant challenges to these constitutional and civil liberties in Scandinavia. They are taken largely for granted, even by radical opponents of current political trends. The struggle for full parliamentary democracy prior to and during World War I is now only of historical interest. The principles of constitutional and representative government have been broadly accepted for more than half a century. Even resident aliens were granted limited suffrage during the past decade without much debate. Memories of the more recent threats to democratic government during World War II have faded as well. In any case this last battle to maintain democracy and liberty is associated in the popular mind with the struggle against the ruthless Nazis, a foreign foe, whose ideology is completely discredited (at least in Scandinavia) and whose defeat was total. Scandinavian communist parties that clung rigidly to Stalinism quickly shriveled after the war.

In contrast to the concerns of Barber, Dahl, Powell, et al. for the long term prospects for democracy in a large and heterogeneous society, Scandinavian theorists have moved in the postwar period from political and constitutional questions to matters of policy and social organization. Contrast, for example, the magisterial volume *Nordisk Demokrati* edited by Hal Koch & Alf Ross (1949) with the recent book *Nordic Democracy*, a survey of the same topic under the editorship of Erik Allardt et al. (1981). The former volume (written in the Scandinavian languages primarily for a domestic audience) emphasizes the legal, ideological, and historical development and characteristics of democracy. The recent collection covers such topics only briefly, while devoting substantial attention to Scandinavian public policy primarily from a social science perspective. Both volumes are important and useful sources; each is also indicative of its time. The 1949 volume reflects the decade's intense ideological atmosphere. Democracy required renewed assertion not only in the wake of the recently defeated fascist threat, but from the surge of communist support at the end of the war. Communism was identified with the successful resistance to fascism (despite the fact that communist resistance only appeared after the German attack on the Soviet Union, fourteen months after the occupation of Norway and Denmark). The scientific 1981 study is an academic compendium; it is not a struggle for the soul. The question in 1980 is not one of legitimacy but of effectiveness. Democracy has become less an ideology and more a culture. Herbert Tingsten called democracy a 'supraideology': one is a democrat, but then a conservative, liberal, or socialist (Ross 1952, 76, 108).

Currently the Scandinavian discussion has moved from earlier legal, consti-

tutional, and institutional issues to the recent focus on social and economic factors. During the accelerating development of the Scandinavian welfare states in the late 1960s, many commentators expressed growing concern about the continuation of substantial inequalities amid prosperity and social programs. One aspect of these concerns was the problem of unequal distribution of political resources. 'One citizen, one vote' was no longer a sufficient description of political rights. Despite the relatively strong position of Scandinavian political parties and economic interest groups which provide effective traditional and corporatist channels for the participation of even those weakest political groups, there were complaints about 'political poverty'; i.e. such vast differences in access to political resources that significant numbers of citizens were denied the opportunity to participate equally in the democratic process (Dahl Jacobsen 1967, 6-10 is a representative example of the thoughtful consideration of 'political poverty'). Such concerns also spurred several ambitious interdisciplinary studies of political power and democratic values in the Nordic countries. Most extensive of these was the Norwegian Power Investigation (*Maktutredningen*) which investigated the content and distribution of political power in Norway between 1973 and 1982. Another ambitious effort was a series of Danish studies coordinated by the Institute of Political Science at Aarhus University (summarized in Damgaard et al. 1984). The subject was also examined by the Danish Low Income Commission (1976-81) (See *Lavindkomstkommissionens Betænkning* 1982, 113-121 and Valentin 1980). A Swedish Royal Commission was established in 1985 with the mandate to investigate the distribution of power and democracy; its final report is due in 1990 (*Riksdag och departement* 1985 (23), 2-3).

The academic discussion has mirrored the political development. Scandinavian democracy has evolved through three distinct stages that represent a substantial portion of the democratic experience. Today's democracy emerged from a protracted but 'evolutionary' struggle on the political front but which has been extended to other spheres as well. What made Scandinavian democracy so dynamic?

Scandinavian democrats were not 'born free'. The historical record reveals that the Scandinavian countries have had their fair share of internal political violence and disruption. *Political democracy* was achieved late by Anglo-American standards. Only in the past fifty years has political and constitutional democracy enjoyed nearly universal support.²

With the foundations of political democracy in place, *social democracy* with its goals of equality and social solidarity was the next stage to emerge. A century of social policy, bitterly contested at first but leading to a strong consensus since 1945, helped to shape a better and more democratic society as well as a structure that could withstand social, political, and economic stresses and strains. Indeed it has been tempered by the experience of such difficulties.

Finally, *economic democracy* in which the production and distribution of

goods and services become accountable to democratic principles has become the focus of reform. The debate on economic democracy is broader and less clearly defined than the political and social stages. It turns on the relative role of autonomous market and international forces on the one hand and political and corporatist forces on the other. It has a 'vertical' (macroeconomic vs. microeconomic) as well as a 'horizontal' (social, functional, and geographic groups) dimension. Consensus on both the content and the range of desirable outcomes in the economic democracy debate is still quite tentative.

The increased importance of foreign relations and security policy in Scandinavia since 1945 revived the question of whether the 'democratic debate' ought to spill over into international politics. In recent years some Scandinavians have concluded that the 'East-West' dimension of world politics involves the irrational competition of rigid 'superpowers' whose interests are distinct from nearly all other states. Others welcomed the revival of 'human rights' issues and the 1975 Helsinki Accords (European Convention on Security and Cooperation), but have been reluctant to apply the same standards across the board. For many Scandinavians the 'North-South' problem is perceived as involving more important issues, but here the current emphasis is almost exclusively upon economic problems. Earlier political concerns focussed on 'decolonization', which generally ignored the problem of what type of political regime would supplant the colonial administrations. Currently only on southern Africa does the debate continue to emphasize political and human rights problems. Most Scandinavians believe that human rights issues cannot be ignored, but they are skeptical as to whether they can be seriously discussed in an international context without becoming primarily instruments of propaganda.

Political Democracy

There are two dimensions to political democracy. First, political democracy requires *institutions* which allow substantial popular participation in the governing process. This requires a constitutional framework which facilitates participation and guarantees civil rights. Scandinavian political democracy is based upon comprehensive written constitutions. Politics is focussed on the parliamentary process. In common with other western parliamentary systems, the parliamentary elections determine who governs. The executive branch is responsible to parliament and can be dismissed at any time by a vote of non-confidence. The nineteenth and early twentieth century struggles for full political democracy turned on the supremacy of parliament. Judicial institutions are less important in the democratic process, but serve as guarantors of civil rights.

Political democracy also demands *procedures* that insure that citizens and

groups can participate in government more directly and continuously than merely as periodic electors. Here Scandinavia diverges considerably from the so-called 'Westminster' or British model. The Westminster model expects elections to produce clear parliamentary majorities for a single political party. The resulting government can expect a generally compliant legislature and is subject only to constitutional constraints (Lijphart 1984, 4-9). In practice Westminster governments are also constrained by future electoral expectations as reflected by occasional by-elections and the readings of periodic political polls. Although both Norway and Sweden have experienced single party majority governments in the post-1945 period, this has been the exception, not the norm. Even during periods of majority government, the Scandinavian states resemble the consensual model. According to Lijphart this model assumes limitations on majority rule through the sharing of power, the dispersal of power, a fair distribution of power, the delegation of power, and a formal limit on power (1984, 30).

In Scandinavia these limitations take the following forms. First, most governments are minority governments, i.e. formed either by a party or a coalition of parties lacking a parliamentary majority. Legislation requires the active or passive support of one or more non-governing parties. Majority coalitions – the next most common form – also restrict the dominant coalition partner. Single party majorities are the rarest outcome. Second, Scandinavian parliaments work through relatively strong committees, whose usually secret deliberations keep close tabs on executive policymaking. Committees work out the compromises which can assure parliamentary majorities for the legislation. The unicameral Scandinavian parliaments disperse power mainly through the committee system, although the Norwegian parliament divides into two sections for most legislative procedures. Third, power is delegated *geographically* through relatively strong local and regional government, and *functionally* through reliance on corporatist participation typified by the Swedish *remiss* or consultation system. Such delegation does not approach a federal system, but in practice and tradition local governments have substantial autonomy. Moreover, corporatist bodies have become increasingly important channels for the representation of economic and occupational interests in the postwar era. Fourth, the distribution of power is enhanced by the proportional electoral systems of the three countries. These differ slightly in detail – the threshold of representation is higher in Norway – but parties with even modest voter support are assured some parliamentary representation. Finally, there are some limits on the power of parliamentary majorities, most notably in Denmark with its specified provisions for national referendums when demanded by one-third of the members of parliament, although financial and treaty legislation is exempted (Fitzmaurice 1981, 42). Similar constitutional provisions are absent in Norway and Sweden, but advisory referendums may be held when required by specific legislation. In all three countries there has been something of a tradition that important legislative innovations should enjoy more

than a narrow parliamentary majority, but there have been significant exceptions to this norm in recent years.

The essence of Scandinavian political democracy is broad participation in the political process both vertically, through strong political parties and interest organizations, and horizontally through strong local and regional government. Evidence of such participation is clear. Voter turnout in the postwar years has usually been over 80% in national elections. Local elections attract significantly lower turnouts except in Sweden where, in recent years, such elections coincide with the national parliamentary elections. By international standards, Scandinavian parties and interest organizations have large, active memberships and are internally democratic; thus they are effective instruments for popular representation. Access to radio and television is generous and free. There are direct and generous financial subsidies for parties in Sweden, but significant indirect support in Norway and Denmark as well. The party press is vigorous and subsidized in Norway and Sweden.

For those familiar with the Scandinavian countries it may seem unnecessary to dwell on constitutional protection of civil rights. They are firmly anchored in both constitutional instruments and political tradition. During the past two decades concern about ethnic minorities, including the 'new Scandinavians' (immigrants) and indigenous minorities such as the Lapps or *Saami* of Norway and Sweden, has renewed interest in civil rights. The new emphasis has been on social, cultural, and economic rights, which comprise important aspects of the modern Scandinavian democratic model.

Concern for these particular civil rights becomes more imperative when one considers the enormous range of interaction between the citizen and the state in an era of the welfare state. More than half the national income is channeled through the government (national and local). Citizens are taxed for these resources and then receive them again (less administrative costs) in transfer payment and entitlements to public services. Enforcement of complex and heavy taxation can raise significant civil rights questions. Some of the services provided such as defense, public safety, and general governance may be distributed more or less equally. Other services such as education, health care, and pensions are targeted at particular segments of the population. Assuring fairness and due process in the modern welfare state is not easy or automatic. Innovative institutions such as the ombudsman, originally unique to Sweden and now greatly expanded and occasionally emulated abroad, have become increasingly important.

Democratic political institutions and processes, though formally established in the Scandinavian countries seventy years ago, remain dynamic. New definitions and expectations of democracy reflect the enormous social and economic changes of the past decades. Thus attention must also be directed at the social and economic issues so prominent on the contemporary political agenda.

Social Democracy

What is Scandinavian social democracy? It is a set of broadly held values and widely supported public policies that have reduced the class and regional differences between social groups and individuals. The homogeneity of the Scandinavian countries is frequently exaggerated. While it is still true that these are societies in which well over ninety per cent of the population belong to the same ethnic group, speak the same language (ignoring dialects), and are passively attached to the same church, significant immigration since World War II, especially in the past twenty years, has introduced foreign ethnic groups to a degree previously unknown in modern times. Note has already been made of the importance of these changes for political rights. Social and cultural heterogeneity and the accompanying discussion have highlighted the importance of social democracy in the overall normative structure of modern Scandinavian social life. We shall consider them secondary to our discussion here, but it is precisely because of the importance of the social democracy issue that they are so prominent.

The assumption that social democracy is whatever the Social Democratic parties do is unnecessarily flattering. No less than political democracy, social democracy involves matters of degree and comparison (especially over time but also secondarily between advanced industrial societies). It is also important to recognize that underlying the vigorous 'equality' debate is a broad consensus in Scandinavia. This is reflected in the policies of non-social democratic governments which have held power in recent years after decades of Social Democratic political hegemony. In his thoughtful survey of the Scandinavian welfare states, the former leader of the Swedish Conservative party Gunnar Heckscher (1984) notes the consensus on fundamentals despite concerns over the system's viability and unintended consequences. More vigorous domestic critics have sought to revive a theoretical debate, but again they generally accept the basic welfare state and focus their attack on the 'excesses' of recent years. The rise of large social service and public bureaucracies suggests to some that the public policy may be increasingly serving special rather than public interests (Dich 1973). Many imply that the goals of social security and democracy are quite laudable, but economically unrealizable.

Social democracy stresses the full participation of all socio-economic groups in the social life of the country. It is closely correlated to distribution of material and cultural wealth of the country without being limited merely to economic indicators. Social democracy differs from both political and economic democracy through its focus on *results* or *outcomes*. It is no more subjective than current definitions of political democracy, but there is far less consensus on its content and more open dispute about its characteristics. Moreover, although it is no longer fashionable in the West to oppose political democracy, social democracy is still a highly contested political goal. The meaning and desirability of social democracy

is still disputed in Scandinavia, but less so than in most other western countries. This is the result of decades of political hegemony by the Social Democratic or Labor parties for whom social democracy was as high a priority as the older fight for political democracy.

Two words highlight Scandinavian social democracy: equality and solidarity. Both words are ambiguous in their meanings and descend, of course, from the Enlightenment and particularly the slogan of the French Revolution: liberty, equality, fraternity. Equality at first was primarily a political issue. The struggle for universal suffrage during the nineteenth and early twentieth centuries sought to bring equal rights as citizens to all adults. Related to this struggle were matters of equal rights of representation for all parties, which meant guaranteeing those rights to political minorities. Hence the achievement of universal suffrage was accompanied by the introduction of proportional representation in parliamentary and local elections. Not coincidentally the principal beneficiaries of proportional representation were the previous political elite, most of whom supported the conservative parties. After the attainment of basically equal civil rights, a new debate arose about economic and social rights. The principles of equality were extended into the economic and social sphere implying equality of opportunity as well as greater equality of result (Heckscher 1984, 5, Myrdal 1971, 14–19). The decline of economic liberalism (with its emphasis on *laissez-faire*) as well as the experience of Bismarckian Germany and other examples of social reform strengthened support for social policies more appropriate for an urbanizing industrial society (Kuhnle 1981).

Solidarity became no less important in the struggle to guarantee industrial and rural workers and their families a minimum standard of living and social security. As a value it drew upon collectivist traditions stretching back to the guild system as well as the role of the church as an instrument of charity and social relief. Solidarity evolved as a principle with the rise of labour unions in Scandinavia and would remain closely tied to the goals of the labour movement. It placed greater emphasis on equality of result. It sought to reduce the social and economic inequalities not only of the past but also for the future.

Although inevitably there are social conditions that defy objective or even meaningful measure, the Scandinavian countries have devoted considerable resources to social surveys. Indeed, such surveys have been important instruments in the struggle for greater social and economic equality and justice. Nineteenth century social reforms were often preceded by the work of ambitious and forthright investigatory commissions. Later the connections between such policy 'science' and political programs became more explicit. The Danish Social Democratic politician K. K. Steincke, who authored the major Danish social policy reforms of the 1930s, had pored over social statistics in 1919–20 (Steincke 1920).

More recently a series of social conditions investigations has illuminated the ends and accomplishments of Scandinavian social democracy. In response to

complaints in the late 1960s that excessive reliance on raw economic statistics failed to measure the 'quality of life', statistical agencies in many western countries began to compile and compare 'social accounts'. Many of these statistics in areas such as housing, education, and health had long been available, while other information such as social mobility, working conditions, and leisure activities required new data. Together with already available economic data, there were expectations that more nuanced and detailed welfare comparisons could be inferred both between countries and over time. By the early 1970s the Organization of Economic Cooperation and Development (OECD), the most authoritative economic statistical service of the advanced capitalist countries, produced a tentative but extensive list of nine main social indicators (OECD 1972). Shortly thereafter individual OECD countries began to publish detailed surveys with reference to the commonly defined social concerns.

The Scandinavian 'level of living' surveys reveal marked cumulative progress toward exceptionally high standards of living, particularly after 1945. Sweden typically shows the highest levels with Denmark and Norway approximately equal and Finland significantly lower. Similar rankings occur when one compares the level of 'working class' citizens with those of senior salaried employees (Nordic Council 1984, 210–212). Here, as in other categories, substantial inequalities remain. There is genuine concern that prolonged high unemployment (as in Denmark and to a lesser extent in Finland) could widen these gaps and begin to undo several decades of progress toward social equality.

Conservative critics do not deny these social differences, but suggest that policies emphasizing 'equality of result' extract increasing costs in political democracy and economic efficiency. Redistributive policies enjoyed greatest support when economic growth made the costs relatively less burdensome. Of course, economic growth without redistribution does not necessarily promote social equality. A price may be paid in liberty, a value not easily captured by social indicators. Scandinavian democracy cannot ignore this fundamental dispute. At some point democratic priorities inevitably come into conflict. Democracy does not end political struggle.

Economic Democracy

The issues of economic democracy are the least clearly defined and the most vigorously contested aspects of the Scandinavian democratic model. Giovanni Sartori's definitions remain both cogent and insightful. He states concisely that economic democracy is 'a democracy whose primary policy goal is the redistribution of wealth and the equalization of economic opportunities' (Sartori 1968, 114). Sartori was concerned that 'economic democracy', in a narrow Marxian context, might become an alternative to political democracy. Fortunately, the current discussion no longer is dominated by rigid Marxian categories.

Sartori's definition also mentions 'industrial democracy' as a variation. Less authoritarian and more participatory management of individual plants or enterprises is an important dimension of economic democracy. Indeed, the origins of economic democracy as a social and political issue may be traced back to the early experience of self-management in the producer cooperative movement. Scandinavian consumer and insurance cooperatives played an even more active role in democratizing the economy and organizing its weaker elements. The strength of the cooperative movements in Scandinavia attracted considerable outside attention in the 1930s as a 'middle way' between predatory monopolistic capitalism and authoritarian state socialism (Childs 1935). Recent studies provide a more balanced perspective on the economic importance of cooperatives, but their *political* importance in teaching democratic values and procedures at the local level as well as in organizing the economically weak toward national political ends ought not to be dismissed (Heckscher 1984, 111, Scott 1975, 114-122).

Western political discourse has been distorted by the subjective compartmentalization of economic and political issues bequeathed by nineteenth century liberalism and the rigid determinism of Marxian political economy. Charles Lindblom (1977, esp. 161-169) has suggested a strong, or even absolute, connection between economic liberalism – the existence of relative free markets for the production and distribution of goods and service – and political democracy (polyarchy). He places great weight on the fundamental role of liberty or freedom in western democratic ideals. Towards these ends the decentralized operation of economic markets seems to be a prerequisite. Early proponents of democracy such as America's Jefferson and Denmark's Grundtvig understood that economic oligarchy could not easily coexist with political democracy. Recently Robert Lane emphasized the importance of economic and especially workplace democracy in achieving the ideals of political democracy (Lane 1985).

The revival of the economic democracy debate in Scandinavia during the past fifteen years has stressed the close connection between economic power and political power. The systematic Norwegian 'Power Investigation' of the 1970s devoted about a third of its final report to domestic concentrations of economic power and transnational projections of economic power into Norwegian society primarily through multinational business enterprises (Norway 1982). Much of the impetus behind the economic democracy debate has been political; many within the Social Democratic and Labour parties were not content to accept the welfare state as the culmination of the democratic struggle. They rejected the radical left's infatuation with state control through nationalization and were dissatisfied with participation limited to the long agreed rules for collective bargaining. Advocates of the new economic democracy sought to renew the old agenda of greater equality of economic power without reproducing yet another state agency only indirectly accountable to popular control. The issues were defined

at both the level of society as a whole (macroeconomic) and at the level of economic citizens as producers, consumers, and owners (microeconomic).

Not surprisingly, the reinvigorated debate on economic democracy colours the perennial policy issues: maintaining internal and economic balance, growth, full employment, and other elements of the postwar economic consensus. Old issues have new dimensions: tax reform would not only rationalize but could also reward actions and policies that redistributed economic power. Tax issues, so sensitive in the Scandinavian context, touch upon issues of economic liberty and the consequences of poorly coordinated policies.

Microeconomic participation and macroeconomic policy coordination focuses upon corporatism in Scandinavian society. Economic issues are the domain not only of political parties and civil servants, but also labour unions, professional associations, employer associations, and farmers' groups. Democratic issues not only encompass the substantive interests of these large groups – nearly every Scandinavian employee or producer is likely to belong to such an organization – but also involve internal organizational democracy. Questions about pluralism, accountability, and communication must include such quasi-public agencies. Some advocates of greater economic democracy believe that new mechanisms will be found to transform the classical economic issue of *ownership* with its emotional political implications into functionally diverse elements capable of pragmatic bargaining and evaluation (Adler-Karlsson 1967).

The debate over economic democracy remains turbulent and less sharply defined. In Sweden, with Scandinavia's largest Social Democratic movement, the debate has dominated politics and labour relations but also been challenged by more pressing political and economic policy questions (Hancock & Logue 1984). Political economy remains controversial and is unlikely to be ideologically pacified by a prolonged economic boom. Politics and economics are again perceived as fundamentally connected by both academic disciplines and political forces. What began originally 150 years ago as a struggle to redistribute political power from an agrarian and commercial elite has now come full circle. Economic democracy has become a means toward the goal of economic citizenship.

Conclusion

Democracy may be to Western politics like the great medieval cathedrals are to Western religion. Like those great edifices, the construction and preservation of democracy is a perpetual task. Democracy requires both great vision and attention to details. Scandinavian democracy followed this pattern: an ambitious project requiring many careful increments. Despite its late advent, political democracy has sunk its roots deep in Scandinavia, and a highly participatory political culture has grown up alongside democratic institutions. Consequently, the democratic impulse has come to touch every social issue. Thus all collective

concerns become political, and the debate on democracy renews itself. The dissatisfaction that Scandinavians habitually express toward the status quo can best be described as 'creative discontent'.

Formal Scandinavian political institutions are not very exceptional: they are typical parliamentary democracies. They have pioneered a handful of innovations, including the ombudsman system and extending political rights to resident aliens. The less formal aspects – corporatist interest organizations and strong parties – and informal aspects – political culture – are more unique. What really sets Scandinavia apart, however, is the dominant role of the Social Democrats in the last half century, and their extension of democracy to the social and economic realms. As a consequence, the Scandinavian societies, among the most impoverished and least advanced in 19th century Europe, are today among the most affluent and egalitarian. Gradually democracy has been expanded at the national level, and its practice extended downward from the state into social and economic affairs. No less impressive is the absence of violence and repression which have frequently followed similar attempts elsewhere and – in the process – distorted them into forms their pioneers would have disowned.

NOTES

1. These problems of definition have substantial interest outside of Scandinavia. In his recent look at American democracy, Benjamin Barber (1984, 117–120) has identified similar dimensions as of general concern to the problems of democracy. He distinguishes between the minimal and superficial 'thin' democracy of a society dedicated primarily to individualistic and private ends and 'strong democracy' with its emphasis on participatory, altruistic, and civic ends. Barber's call for 'strong' democracy in which politics is not to be a 'way of life' but rather a 'way of living' is resonant with themes in the Scandinavian discussion of democracy.
2. Powell (1982, ch. 2) attributes to the Scandinavian countries a longer and more stable democratic tradition than the average democracy. The supremacy of parliament elected by universal suffrage came late to Scandinavia. Only in Norway (1884) is political democracy over a century old. The Danish king did not accept parliamentary supremacy until 1901, and in Sweden full political democracy was not established until 1917, after the Russian Revolution had made the handwriting on the wall too clear to be ignored.

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