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Democracy and Power in Sweden

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The Swedish Model in Transition

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Obviously these two problems are intertwined. Answering the question of whether, and if so when, the Swedish model reached its culmination depends on how the concept is defined. But the multiplicity of definitions can be used as a starting point for describing ongoing processes of social change. The debate on the definition of the model has drawn attention to a number of important features of the Swedish social system. On the basis of these characteristic features, it is possible to describe social trends and determine in what respects Swedish society is changing.

Conflict Resolution in the Labor Market

The Swedish model has been used as a term for a particular method for regulating conflict between labor and capital. The trade union movement and employer organizations have been united by a common interest in the orderly resolution of conflicts without state intervention. A number of agreements, the most famous being the one signed at Saltsjöbaden in 1938, have laid the groundwork for the Swedish system of collective bargaining. The 'spirit of Saltsjöbaden' was fostered by a common interest held by labor and capital to keep the state out of the process of collective bargaining. The basic concept was that the two sides would independently reach agreements on wages and working conditions. A state incomes policy is contrary to the Swedish model of wage formation.

On the face of it, the concept that underpins the set of labor-market rules formulated half a century ago still remains in force. However, it would hardly be correct today to characterize Swedish collective bargaining as independent, in the sense that the state does not intervene. Public-sector employees are of much greater numerical importance today than when the Saltsjöbaden Agreement was signed. Central and local governments have assumed a key role as employers. Wage formation in the labor market as a whole has become increasingly intertwined with tax and general economic policies. The wage freeze and national mediation system introduced in the spring of 1990 signified no less than a suspension of the Swedish model's principle of independent collective bargaining.

Centralized Collective Bargaining

The Swedish model has been used not only as a term for a general system of labor market rules, it has also been invoked to describe a rather specific distribution of power over wage formation. The 1950s witnessed the beginning of a period of strongly centralized collective bargaining rounds. Power over wages in Sweden was exercised, in practice, by the leaders of the Swedish Trade Union Confederation (LO) and the Swedish Employer's Confederation (SAF). Their national collective bargaining agreements set the tone for the whole labor market. Centralization made it easier for

the trade unions to pursue a 'solidaristic wage policy'. One important prerequisite of this model was the existence of a small number of centralized, homogeneous labor-market organizations.

Over the past few decades, the structure of labor-market organizations in Sweden has undergone major change. Nowadays these organizations are no longer few in number, centralized or homogeneous. The number of organizations that sign collective bargaining agreements has greatly increased as a result of the emergence of public-sector trade unions as well as bargaining cartels and the decentralization of collective bargaining to the level of national trade unions and employer organizations representing particular industrial or civil service sectors. The power of the peak labor and employer confederations has correspondingly been challenged, and local wage formation has increased in importance. Instead of a single, centralized process of collective bargaining, wages are set in a complex game, played partly in the arena of the mass media. It has become more difficult to pursue a solidaristic wage policy while maintaining economic restraint, low inflation and international competitiveness.

Historic Compromise

The expression 'the Swedish model' has also been given a broader definition. The agreements concluded between trade union and employer representatives in the late 1930s have been viewed as expressing a more general, implicit understanding between the two main classes of industrial society, as a historic compromise between labor and capital. It implied that the business community acknowledged that, by virtue of their majority, the Social Democrats were going to use political power to implement major social welfare reforms. In return, the labor movement abstained from nationalizing business. The two sides shared an interest in fostering efficient production, industrial innovation and a competitive export industry.

Today the business community and the labor movement still agree on the need for efficient industrial production, but important elements of what was once described as a historic compromise are now absent. A sign of change occurred in the 1970s. The reforms of working life undertaken during the first half of that decade came about through legislation and not primarily through agreements. The trade union movement used the state as its instrument. Employers openly attacked the labor movement. The nearly decade-long debate on union-controlled employee investment ('wage-earner') funds was very bitter, and the resulting political polarization marked the end of the 'historic compromise'.

Culture of Consensus

Both the Saltsjöbaden Agreement and the historic compromise have been

regarded, especially by foreign observers, as examples of a special political culture or a Swedish style of public life. What has primarily shaped the image of the Swedish decision-making model is its lack of violent conflicts and focus on compromise and consensus. The concept of a culture of consensus does not presuppose a total absence of conflicts and disagreements. Instead it implies a special method for reaching collective decisions. A central element of this method is the sounding out of affected interests, i.e., that different groups are given the opportunity to state their views and be heard, and that decisions emerge through processes of deliberation and consultation.

It is difficult to document that the Swedish culture of consensus has actually undergone a change. There are, however, many indications that the culture of consensus has weakened. For example, polarization has increased, and mass media plays a much more active role. It is also indisputable that there has been a change in the general image of the culture of consensus. This culture is portrayed in greyer nuances, i.e., more in terms of conformism and conflict avoidance.

Full Employment

Sweden is not unique in wanting to keep unemployment low. What is regarded internationally as a special Swedish model is the attempt to reconcile full employment with low inflation, a high growth rate and more uniform income distribution. The 'Rehn-Meidner' model entailed a combination of restrictive demand policy, a solidaristic wage policy and an 'active labor market policy'. The active labor market policy aims at creating new jobs and spurring labor mobility by means of retraining programs and other techniques. An intended consequence of the solidaristic wage policy is the elimination of financially weaker companies. The government's labor market policy could then ensure that employees who lost their jobs at such companies would be transferred to growth sectors. In this way, a policy based on full employment and a solidaristic wage policy would speed up the pace of structural change in the industry.

Swedish labor market policy remained successful in one respect even in the 1980s. The goal of full employment was achieved. Yet full employment was combined with high (not low) inflation and with a low (not high) growth rate. There are a number of indications that current Swedish economy suffers from serious structural problems that may threaten full employment in the long term. Sweden now appears to be having greater difficulty in adapting itself to rapidly changing conditions and in taking advantage of new economic opportunities.

The 'Strong Society'

Another characteristic feature of Sweden today is a very large public sector.

Although its growth began in the 1930s, the most rapid expansion occurred in the 1960s and 1970s. In terms of the overall tax burden and public-sector expenditures as a percentage of Gross Domestic Product, Sweden now has the largest public sector in the Western world. The Social Democratic idea behind the expansion of the public sector has been to ensure the welfare of the citizenry by means of a 'strong society'. One typical feature of the Swedish Welfare State is that a very large proportion of all services are supplied by the public sector. Health care, education and child care are almost exclusively under central or local government auspices. The percentage of the labor force employed in the public sector more than doubled in the 1960s and 1970s.

The concept of the strong society implied that conflicting interests could be transformed into manageable social problems resolvable through public-sector expansion. With the present heavy tax burden, additional tax increases are impossible in practice. Because such a large percentage of the labor force works in the public sector, its organizational structure, use of resources, and adaptability play a major role in the overall growth and efficiency of the economy. Policy-making through reforms and public-sector expansion has become increasingly difficult. The public sector is now often seen as the problem, not the solution.

Universalism

Sweden's social welfare policy has essentially been universal, i.e., the principle has been that social benefits should be made available to all citizens or whole categories of citizens (such as pensioners, children, mothers and the unemployed) without means-testing. The universalist principle of social welfare policy has been seen as a method for achieving social integration, by reducing the importance of boundaries between social classes. If everyone is included by sharing both costs and benefits, the legitimacy and popular support of the system are strengthened.

In practice, the principle of universalism has been realized through standardization. According to this egalitarian idea, all citizens are entitled to the same standard of service. A universalist policy is least problematic in a country characterized by uniformity and homogeneity and during an era when the main concern is the fulfillment of a number of fundamental needs. However, the demands of citizens are now becoming more and more differentiated. Standard universalist solutions are increasingly difficult to use in order to fulfill the varied demands of citizens.

Rule by Experts

An essential element of the Swedish model is social engineering. Science,

objectivity and knowledge are important sources of legitimacy. Experts and specialists have actively participated in shaping and implementing public policy. Social problems have been mastered through administrative solutions. Social scientists have gained a prominent role in the Swedish Welfare State.

In contemporary Sweden there is a clear popular reaction against various attempts by public authorities to watch over citizens. There is a stronger emphasis on individual privacy and integrity. Civil rights have been given a more predominant role in legislation and public debate since the 1970s. The authority of rule by experts has weakened.

Corporatism

Major interest organizations were granted co-responsibility for public policy. These organizations came to participate in all phases of the political decision-making process – both in the preparatory stages (raising issues, participation in commissions of inquiry, making official comments on commission reports) and in the implementation stage (representation on governing boards of public agencies, bargaining and taking of public responsibility). The Swedish corporatist system is manifested in cooperation between the state and the large interest organizations.

In the late 1970s, the negative aspects of corporatism began to receive attention in public debate. The strength of special interests in relation to the public interest was emphasized. The organizations themselves imposed certain restrictions on their involvement in the formal decision-making process. The presence of interest organizations on the boards of public agencies was questioned and cutbacks in the system of government-appointed commissions of inquiry were made. This reduced opportunities for special-interest organizations to influence public policy via commission reports.

Centralization

The Swedish model was also based on a centralized form of social organization. Growth and efficiency was promoted by centralization and large-scale production. The expansion of the public sector was accompanied by reorganization and structural rationalization. Public policy encouraged restructuring of industry, which led to rural depopulation. Municipalities were amalgamated into larger units, and interest organizations and political parties consolidated their local clubs into regional branches. National planning efforts focused on encompassing public programs. Cities were reshaped by razing old structures and new mass-produced housing was erected.

The past two decades witnessed a reaction to the centralist planning model. Large-scale systems were questioned in such fields as urban planning, medical care and municipal administration. Within jurisdictions of the supermunicipalities created in the post-war wave of amalgamations, experiments with submunicipal councils and other forms of local decision-making are being tried. In many fields, decentralization has replaced centralization. Local initiatives are encouraged. Regional and local units have been granted greater independence.

The Second Compromise

Most of the features of the Swedish model mentioned above are rooted in a male-dominated society. This sexual bias is now giving way. The unpaid household work and child-care services provided by women were one of the most important prerequisites for the growth of the Swedish labor movement. But there is also a normative relationship between women and the state, which may be called 'the second compromise'. This compromise changed character in the 1960s, however, when a new set of norms for the role of women in Swedish society emerged. The right of women to perform paid work was established, and child care became an area of public policy. This norm has largely determined the structure of the public sector, both as a producer of previously unpaid household work and as a new workplace for women.

The 'second compromise', i.e., the special relationship between women and the Welfare State, is one of the Swedish model's most invisible and most dynamic components. These major changes in family and working life create new problem areas in Swedish politics. This is where the internal tension between equality and subordination is most clearly illustrated. Achieving greater equality for women requires a radical restructuring process, for which there is hardly any political consensus, or even awareness.

A Turning Point

This summary indicates that various observations point in the same direction. In no instance has it been possible to state that the features associated with the Swedish model adequately describe contemporary Sweden. Rather, these features have all become weaker or in some cases even disappeared. This conclusion is not dependent on definitions. Regardless of how the Swedish model is defined, society is moving away from the model long regarded as Sweden's special trademark. The Swedish model must consequently be said to have reached a turning point, though it cannot be determined with certainty when the change occurred. The exact time

varies depending on which aspect of the model is considered. In some cases it is impossible to specify because change has been gradual. Yet it appears that in a number of respects, the early 1970s represented a watershed. Subsequent developments have shown that the social changes Sweden was undergoing were not related to a temporary crisis, but were much more general and profound.

The explanation of the decline of the Swedish model involves many different factors. The most general explanation is that the Swedish model was associated with the age of industrial society. The emergence of a post-industrial, internationalized, service-oriented society challenges existing institutions.

But there is also an inner dynamic in the social system of the Swedish model. The very fact that the model is composed of several separate elements provides an impetus for change. The more constituent elements there are in a system, the greater is the likelihood of internal tensions between these parts. While certain elements of the Swedish model are easily reconcilable with each other, others are not. A system that contains internal contradictions has a dynamic component. One general hypothesis about social change is that contradictions lead to transitions.

The factors causing social change can be divided into two categories. One type is internal, i.e., those factors growing out of conflicts and tensions between the particular features of the Swedish model. The other type is external, i.e., factors which are not unique to Sweden but rather apply to all similar social systems.

Internal Causes of Change

Because the Swedish model encompasses so many different aspects, it is hardly surprising that they cannot all be harmoniously combined at the same time. Here are some examples of internal tensions:

Tension between bargaining and rule by experts. There is an internal conflict between, on the one hand, the key role of experts and, on the other, an emphasis on representation of interests, compromise and the culture of consensus. If the 'correct solution' is known, why bother to negotiate and compromise?

Tension between the roles of the state. In certain respects, the peculiar features of the Swedish model are shaped by a desire to exclude the state from decision-making. In other respects they presuppose a very active state.

Tension between rule by laymen and professionals. The Swedish model also embodies tensions between, on the one hand, its emphasis on representation of interests, self-management and layman participation and,

on the other, the demands for uniformity, professionalism and standardized solutions 'from above' resulting from rule by experts.

Tension between politics and bureaucracy. The expansion of the public sector also contains the seeds of internal contradiction. According to its fundamental concept, the strong society enhances democracy. But implementing the principle of the state as a producer of services requires a large bureaucracy, which becomes ever more impenetrable and unmanageable. Power of the system increases, but power over the system decreases.

Tension between general interests and special interests. Strong special-interest organizations are a cornerstone of Swedish society. Layman influence and social movements are regarded as fundamental elements of Swedish democracy. The problem is that strong and defensive special interests may come in conflict with more general social interests and block long-term political solutions.

Tension between social equality and efficiency. The general problems of the Welfare State and the Swedish model are still present. How can economic efficiency and growth be reconciled with social equality and prosperity for all citizens? In its expansive phase it appeared that the Swedish Welfare State would be able successfully to combine a number of different economic and political goals. The achievement of this harmony is currently more problematical. Now the question is whether the large Welfare State will inhibit efficiency and growth, thereby posing a long-term threat to itself.

Tension between social equality and subordination of women. Once the universal reforms of the Swedish model really begin to encompass women, the tension between the general principle of equality and the actual subordination of women becomes more intense.

External Causes of Change

Various external factors for change alter the prerequisites for a social system such as the Swedish model. Some examples:

Changed conditions of production. Agriculture and industry provide a livelihood for an ever decreasing percentage of the population. New economic sectors give rise to new social classes. Traditional class categories become less accurate as a description of the Swedish social structure.

Environmental problems. The way in which production and society are presently organized frequently conflicts with ecological principles. Environment concerns thus become crucially important in the debate on social organization.

Internationalization. Internationalization of the business sector affects chances to pursue an independent national policy. European economic

integration is forcing the adaptation of Swedish norms and regulations to EC standards.

Signs of economic crisis. The economic crisis of the mid-1970s had serious consequences for Sweden. Partly because of the international boom of the 1980s, government economic policy led to certain improvements. Developments in the late 1980s have nevertheless indicated that the Swedish economy continues to be plagued with structural problems.

Demographic changes. Changes in the age structure of the population are placing heavier demands on the production of services and changing the distribution of economic output between the labor force and pensioners. Generational conflicts may thus assume a more prominent role.

Changes in the position of women. Increased participation of women in the labor force, politics and public life has created new tensions that require political solutions. As employees subjected to special conditions generally receiving lower pay, and as consumers of the public sector's social services, women have become a 'social problem' demanding a solution.

The multicultural society. The conventional image of Sweden as a linguistically and culturally homogeneous nation must now be modified. A consequence of immigration in the past few decades is that Sweden's distinctive traits have simultaneously become more visible and subject to challenge. Multicultural diversity is becoming a reality.

Differentiated interests. The number of special interests is growing, and the homogeneity within interest groups is weakening. The structure of interest organizations is becoming more fragmented, and the authority of the peak organizations is declining. The heterogenization of Sweden's special-interest organizations makes it more difficult to solve social and political problems by bargaining with a few large, homogeneous interest groups.

Decentralization. Both private and public organizations are decentralizing. Local units are being given independent decision-making authority, and adaptability and flexibility are being encouraged. Management by objectives is replacing management by orders. In the public sector, decentralization of authority to the municipal level is underway, and many municipalities are decentralizing authority to submunicipal councils. The independence of regions and local units is growing, and they are being forced to rely on their own resources.

Opinion-formation. The conditions for opinion-formation are changing rapidly. The authority of established institutions is now challenged. Modern mass media are evolving into a new center of power. The logic of the media influences other social sectors, and the pace of public life is speeded up. Media intervene in the public decision-making process and change it.

Political instability. The once stable political party system is changing. A growing number of voters switch parties and split their votes between

parties. Election campaigns and mass media play an increasingly important role. The stabilizing elements are becoming weaker, and the political pattern is becoming more fragmented. The likelihood of firm parliamentary majorities is diminishing.

The Power Structure of Sweden

The two events that shaped the power structure of modern Sweden more than any others were industrialization and democratization. It is a historical fact that these far-reaching changes occurred at approximately the same time in Sweden. One can speak of a 'double break' with the past. One break was the elimination of any formal linkage between economic and political power. Previously, the right to vote and be elected to office had been dependent on economic status.

The other break in historical continuity was the simultaneous emergence of two new elite groups, each of which specialized in its own sphere of power. In the course of a few decades, trade and agricultural interests were replaced as the leading economic class by a group of wealthy capitalists and entrepreneurs engaged primarily in industrial and financial activities. They were people who had a command of modern technology, international business, complex financial transactions and corporate organization. Meanwhile organized labor took advantage of universal suffrage to take over the political sphere. Together with other social movements, the labor movement was at the heart of the popular alliance that pushed for democratization.

The relationship between these two spheres of power eventually came to be characterized by a kind of peaceful coexistence. They concentrated their efforts in their own established areas and took advantage of the great potential for change inherent in continued industrialization and political reforms respectively. This mutual understanding created the foundation for a 'historic compromise' between labor and capital.

Thus, the two main classes of industrial society, labor and capital, have been able to exercise decisive influence on the history of modern Sweden. The relationship between these two power centers has been characterized by a combination of conflict and consensus. The social system that has been described under the label 'the Swedish model' can be regarded as a set of distinctive features, many of them influenced by the power relationships found in an industrial society. One major consequence was the emergence of an exceptionally large public sector. The cornerstones of the Swedish power structure can therefore be identified as labor, capital and the state.

The fact that this power structure is now changing by no means implies that it has disappeared. On the contrary, the main finding of a special study

on the national power elite underscores the fact that Sweden is still ruled by two elites. Recruitment patterns reveal that there are two main pathways to power: via the organizations of the bourgeoisie and via those of the labor movement. In an international and historical perspective, the role of bourgeois institutions is hardly remarkable. It is the existence of an alternative channel that seems exceptional.

It can be argued that it is increasingly unrealistic to speak of the power elite of a country. It invokes the image of a few elite groups at the national level making all the decisions crucial for the country's future. At present, the image of labor, capital and the state as the ruling structure must be modified in one important respect: internationalization is changing the prerequisites for a national power structure.

Because of competition in international markets, the national arena is losing some of its importance. It is less possible to force the business community to accept domestic bargaining solutions. Capital has also become more mobile. The elimination of Sweden's foreign exchange restrictions is a characteristic example of this development.

In the era of industrial society, politics was distinguished by relatively simple lines of conflict. Without much simplification the Swedish party system could be described as one-dimensional. Conflicting views on the level of taxation, the size of the public sector and the nature of redistribution policy essentially followed a left–right dimension.

One important factor behind the changing character of politics is that a decreasing number of crucial issues fit into the left–right continuum. The nuclear power issue is an example of an issue where conflicting views partly contradict the traditional left–right conflict pattern. The issues of post-industrial society increasingly create tensions, both between and within the political parties, that are new for Sweden.

The structure of problems has partially changed, and this has led to a new set of patterns among existing institutions. New issues have also been formulated, which led to the creation of completely new organizations. The concept of 'new social movements' covers a diverse collection of interest groups, ranging from those with very broad programs to purely single-issue groups.

One general change in the power structure is that the number of interested parties and actors is increasing. Whereas yesteryear's power structure consisted of a few large organizations, the current power structure is made up of a growing number of organizations. One direct consequence is that the number of relationships between interested parties and potential areas of conflict has increased.

Social changes, moreover, affect the structural base of the previously dominant power centers. The impact of internationalization on Swedish business has already been mentioned. Nor has the labor movement

remained unaffected by these developments. Its traditional core group, the industrial working class, is declining in importance, and the percentage of the labor force belonging to trade unions has fallen since the mid-1980s. Voter support for Swedish political parties has similarly become more unstable.

The state is also undergoing transformation. Continued state expansion is out of the question. Both in economic terms as well as in the number of employees, the public sector stagnated and declined somewhat in the 1980s. Certain areas of state activity considered central to the Swedish model are also declining in importance. The system of official commissions of inquiry has been weakened, for example, and the role of central government agencies has shifted from direct operational responsibility to advisory and research tasks.

The relative retreat of the state must be viewed against the backdrop of two simultaneously ongoing processes: internationalization and decentralization. National institutions, in other words, are being challenged from two directions. Decentralization means that the main focus of public-sector operations is shifting to regions, municipalities, municipal subdistricts and local units. Yet in a number of cases it is uncertain to what extent the decentralization of responsibility, especially for major economic decisions, has also been accompanied by a transfer of actual power. It is presently impossible to draw any far-reaching conclusions on this point. In many cases the changes are still underway.

It can, however, be convincingly argued that national uniformity and cultural homogeneity are weakening. Changes in the mass media system are of great importance here. Over the course of a few decades, the media have established themselves as a power center in their own right. Internationalization and electronic fragmentation are challenging the dominance of traditional opinion-makers.

In sum, the power structure of Sweden is changing in such a way that institutions associated with the era of the industrial society are now becoming weaker. New power centers have grown in importance, without thereby having replaced the established institutions. The nature of the power structure itself has therefore changed. The number of independent power centers is increasing, and the power structure has become more fragmented and complex.

Democracy and Citizenship

Any answer to the question of whether Swedish society is moving closer to the 'democratic ideal' depends on what is meant by such a general expression. The Government's instructions to the Study of Power and

Democracy in Sweden provides a definition under the term 'the Swedish democratic ideal'. Compared with the Western tradition of democracy, this ideal seems to express a predominantly collectivist approach to democracy.

In particular, there is a close association between this democratic ideal and the social system that has been described as 'the Swedish model'. It assumes that democracy is implemented through the decisions of a political majority, a large public sector and centralization. But there can be no doubt that current trends are undermining the crucial elements of this social system. Numerous institutions in modern Sweden are linked to a type of industrial society whose time is now past. As a description of the actual way Sweden is governed, this model of democracy better applies to the situation of two decades ago than to current society.

A reply to the general question asked in the Government's instructions on the basis of its democratic ideal would be negative. The processes of change now underway do not signify that Sweden is moving toward the collectivist democratic ideal of the Swedish model. On the contrary, it is moving away from this ideal.

Yet this is not the only conceivable democratic ideal. What seems to be central to the Western intellectual tradition is the search for a balance between individual and collective elements. The individual citizen's rights to privacy, freedom of action and personal influence assume a more prominent role in this view.

From the perspective of this democratic ideal, the general conclusion must be quite different. There has been a very noticeable change at the level of the individual citizen. Despite the considerable differences remaining between social classes, the general direction of change is clear. Those qualities which were once presented as ideals of democratic citizenship – e.g. knowledge and economic and social independence – are being fulfilled better in Sweden today. According to a national citizenship survey conducted as part of the study, the civic virtue now rated highest is the ability of individual citizens to form their own opinions independent of others. Participation and feelings of civic competence have increased. The prerequisites for autonomous citizenship have improved.

Based on an interpretation of democracy aligned more with the individually oriented ideal, the general conclusion is that citizens are becoming increasingly independent and autonomous. In this sense, Sweden has moved closer to the democratic ideal.

New Orientations: Citizens

The trend toward more autonomous and independent citizens in turn creates new problems. There is a growing gap between what may be called

potential and actual citizenship. People's expectations of personal influence are rising faster than their freedom of choice. This means that there is also a trend toward a sense of powerlessness among citizens, a phenomenon noticeable in various spheres.

Working life, for many employees, is characterized by monotonous, alienating tasks. Industrial workers in certain ways have become more dissatisfied than before. They often criticize their employers for not listening to their opinions, offering them satisfactory opportunities for promotion, and showing enough appreciation for their work efforts. Female industrial workers in particular complain about their low level of independence on the job.

The public sector is largely structured according to the principle of standardized solutions. The citizenship survey indicates that many people who come into contact with the public sector are silently frustrated by their powerlessness. Such areas as schools and medical care are characterized by a lack of alternative choices.

Representative democracy assigns a crucial role to political parties and general elections. Yet in this respect, too, there are numerous signs of a growing gap between voters and their elected officials. Party identification is weakening, election turnout is falling, more voters are submitting blank ballots, a rising percentage of voters switch parties, and there is growing uncertainty among voters.

Interest organizations, especially the ideologically-based social movements, are similarly finding it difficult to recruit young people to run for elected office. The level of activity within these social movements is stagnating. The social and political involvement of youth takes forms other than those of traditional voluntary associations.

Opinion-formation is dominated by the mass media. Because newspapers, television and radio provide broad coverage, citizens are comparatively well informed. But the demand for diversified information continues to grow. Media consumers are looking for new and often international information sources. Traditional media institutions and interpretations of reality that long dominated Swedish public life are now being challenged.

New types of reaction. In one important respect, the changes discussed above follow a similar pattern. Citizens are exercising power through withdrawal. Leaving behind an old alternative and possibly choosing a new one seems more effective than staying and trying to bring about change. Contemporary social changes are characterized by 'exit' rather than 'voice'.

In this context, the rising level of absences due to illness and the growing difficulty of recruiting personnel for non-independent jobs may also be regarded as a silent protest. Citizens with political commitments are seeking new outlets. Social movements of a new type are becoming alternatives to

established organizations, and developments in the mass media are opening up new opportunities.

This type of reaction implies that citizens are changing the prerequisites for the established organizations by voting with their feet. Old institutions are transformed into empty shells, though many of these institutions may continue to survive for many years. Numerous factors explain such institutional inertia. Nostalgia and a lag in self-understanding legitimize old organizations, while state subsidies, security of employment and monumental buildings freeze and preserve social movements.

New Orientations: Institutions

The near future will most likely be characterized by institutional reorientation. The organizational system that characterized Sweden for such a long period has been the product of relatively stable social structures. The impression of predetermination, control and permanence has thereby been strengthened. The current processes of change mean that these structures are becoming weaker, without the creation of any similar new structures. The future seems more open, uncertain and unpredictable.

In such a situation forecasts are evidently very difficult. Yet it is possible to describe the contours of the social system which are congruent with the general direction of developments. This sketch should not be viewed as a prediction, but rather as a possibility.

No single dominating principle. There is no reason to expect citizens to relinquish all decision-making authority to a single center of power, even one chosen by means of general elections. No single institution is allowed to dominate public life. Instead, democracy is implemented through many different principles of social organization.

Citizen-centered perspective. The heritage of democracy includes a number of principles that provide a common denominator for various social institutions. A citizen in a democracy is guaranteed personal privacy, civil liberties, the right of self-development and protection against discrimination. The legal aspects of citizenship are increasing rather than decreasing in importance. Attention is also focused on obstacles to the realization of equal rights for all citizens. Structures and implicit arrangements that express male supremacy and separate treatment of women and men are therefore of particular significance.

Boundary changes. Old boundaries are disappearing and new ones are established. The nature of environmental problems and technological development signify that traditional territorial boundaries such as those of nation-states are becoming less important. People 'think globally and act locally'. Walls are torn down, both literally and figuratively. Yet the importance of abstract boundaries is increasing. A clearer separation of

roles and sharper definitions of the specific aims of various institutions are necessary to achieve a balance of power in a mixed form of government. Clear boundaries of this kind prevent differences in power within a particular sphere of society from reproducing themselves in another.

From vertical to horizontal relationships. The exercise of power, management and control have traditionally been based on orders, commands and threats of punishment. But as a form of government, hierarchy is becoming more difficult to use. The growing independence of citizens is making systems based on external obedience untenable. Instead, institutions aim at internal persuasion, and groups are being held together by discussions and agreements. A system of superiors and subordinates is being replaced by a system of coordination and cooperation. Vertical relationships are being replaced by horizontal ones.

Experimental attitude. The concept of reforming and changing society has long been synonymous with goal formulation, planning and instrumental management. Experience has now shown the limitations of this form of government. Other methods of collective action are evolving. Detailed, finished blueprints are being replaced by an experimental model based on gradual learning from earlier experience. Innovation is based on the right to fail.

Changing role of politics. The importance of politics is decreasing as well as increasing. If the realization of democracy is assumed to be directly proportional to the size of the public sector, political decision-making is, by definition, completely crucial for democracy. However, citizen demands can also be translated into collective choices by principles of social organization other than majority decisions and public bureaucracy. Democracy does not stand or fall with the state as a producer of services. Thus, politics may therefore play a smaller role.

An open society with a variety of autonomous institutions nevertheless requires a method for resolving conflicts of autonomy, ensuring fundamental citizen rights and continuously monitoring and examining how well the system works in practice. In keeping with the basic values of democracy, these tasks are best fulfilled by representatives who are responsible to the people. Consequently, politics will gain rather than diminish in importance. The knowledge necessary for politics and the quality of public debate become crucial.

Conclusion

The general conclusion of this study is that the present Swedish social system is undergoing profound change. Old institutions and systems are declining, and new structures are emerging.

In one sense, it is correct to describe the current phase as the end of the era of the Swedish model. A number of significant elements of the modern Swedish social system have been linked to a particular time period in modern history. There is no reason to assume that the factors that have changed the prerequisites for this system are temporary in nature. It is hardly possible to turn the clock back. The era characterized by strong public-sector expansion, centralized collective bargaining based on a historic compromise between labor and capital, social engineering and centrally planned standard solutions has come to an end.

Yet it should be emphasized that the image of a crisis-ridden Swedish model in its death throes is misleading. This picture is based on the assumption that the Swedish model is a uniform, coherent system that was introduced at one time, then culminated and is now disappearing. But as argued earlier, what is usually termed 'the Swedish model' includes a relatively large number of separate elements and special features that have not always been in harmony. The notion of a Swedish model can convey a misleadingly static and uniform image. The various special features of the Swedish social system evolved during different time periods and each have their own logic of development. Just because certain elements are now becoming weaker does not mean that the whole concept of a characteristically Swedish system of government must be abandoned.

In a historical perspective, this Swedish system of government turns out to contain a strong dynamic element. It can be viewed as a method of social and political problem-solving, as one of many ways of achieving balance between the general dilemmas of democracy.

The present period is characterized by individualization and internationalization. The fundamental problem of democracy, i.e., how to reconcile individual freedom with collective order, is now re-emerging in a partly new constellation.

One main issue in finding a new balance between individual and collective autonomy is how to combine the desire for a social welfare safety net based on collective arrangements with the desire for individual freedom of choice. Ultimately, this is a question of finding mechanisms that combine free personal choices with collective solidarity.

NOTES

1. The research program was directed by Olof Petersson (chairman, Department of Government, University of Uppsala), Yvonne Hirdman (Department of History, University of Stockholm), Inga Persson (Department of Economics, University of Lund) and Johan P. Olsen (University of Bergen and the Norwegian Research Center in Organization and Management, Bergen). The main office of the Study of Power and Democracy was located at the Department of Government, University of Uppsala,

with Anders Westholm serving as Senior Research Officer. For a more complete presentation of how the research program was organized, see Petersson 1988.

2. The main report was published in the series of official reports published by Swedish commissions of inquiry (SOU 1990:44). The report also contains a complete list of other publications from the study.
3. This article is a summary of the main report, SOU 1990: 44.

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Petersson, O. 1988. 'The Study of Power and Democracy in Sweden', *Scandinavian Political Studies* 11, 145–158.

SOU 1990:44. *Demokrati och makt i Sverige. Maktutredningens huvudrapport.* Stockholm: Allmänna Förlaget, 1990. Statens offentliga utredningar.

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