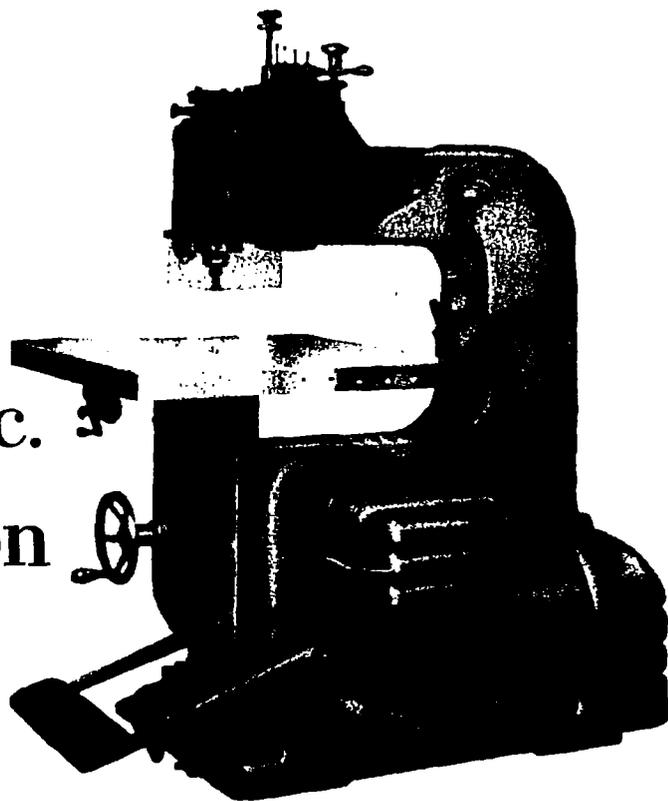


Order, unity, nationalism, security:  
Fascism with a human face?



## Sweden Inc. 3

# The Total Institution

R. H. Weber

Writing from the court of Gustavus Adolphus in 1620, Cromwell's puritanical ambassador to Sweden, Bulstrode Whitelocke, painted a dreary scene of what he could discern through the drizzly, leaden gloom of a five-hour Swedish November day . . . roads little more than rivers of mud, primitive strip farming, millions of acres of seemingly endless solemn pine forests, log shacks mortared with moss, a dismal diet of "boiled, roast or fried cow," and nearly universal, perpetual intoxication.

If Ambassador Whitelocke had returned to Sweden at the dawn of the twentieth century he would have had little difficulty recognizing the place. True, the diet had deteriorated somewhat after a series of devastating famines in the nineteenth century. Instead of fried cow, most Swedes were now eating fried bread. The rich in Stockholm, still a tiny group, had recently built themselves stone houses in imitation of Baron Haussmann's Paris. Otherwise, Sweden in 1900 could be justly called "the Sicily of the North."

Today, seventy-five years later, Sweden is one of the Group of Ten major industrial nations, providing its average wage earner's family with a material standard of living almost as high as that offered their counterparts in the United States. And all this without a revolution. How did it happen? Is it an example for other nations to follow?

There is the usual litany of reasons rattled off by the Swedes or foreign observers. Profitable nonparticipation in two World Wars. An obedient, homo-

geneous, hardworking population. Labor peace. Natural resources. Insularity. A simple conformist culture. The so-called mixed economy, a contented marriage of socialism and private enterprise.

All these factors, except the last, have some validity. But taken together as a definitive explanation they tend to gloss over the most fundamental fact of Swedish political and economic reality, just as the phrase "mixed economy" is deliberately deceiving.

Sweden has achieved its present status because it is the world's most advanced example of the corporate state, a model of the political-economic organization known as corporatism, the correct label for what is now often euphemistically referred to as "modern capitalism" and which was formerly known as National Socialism. In fact, it has little in common with either genuine socialism or capitalism.

The essence of the distinct economic structure of corporatism is private ownership and state control. So it is neither socialism (state-owned, state-controlled) nor classical capitalism (private ownership, privately controlled). Corporatism also distinguishes itself from contemporary Keynesian systems in the West by going beyond national demand management and countercyclical intervention to nearly total control of all major economic activity and detailed direction of resources by the state for the ultimate benefit of private ownership.

The "mixed economy"—part state-owned and regulated, part unfettered free enterprise—differs from corporatism insofar as the latter aims for total control of the entire spectrum of national economic life. Whereas in a Galbraithian "technocracy" experts

---

R. H. WEBER is an American lawyer and writer who has lived for several years in Sweden.

govern under the standard of scientific efficiency, corporatism openly promotes political control to achieve ends set by the state itself. As the British industrial sociologists Pahl and Winkler have noted, "Corporatism is more than just a somewhat more thoroughgoing form of government intervention. It is an attempt to establish state control over all the major aspects of business decision-making."

The past year has witnessed a burst of legislation passed by the Swedish parliament to strengthen state control. Most prominent is the requirement that any sale of majority stock in a Swedish company with more than one hundred employees or \$1 million in capitalization must be approved in advance by the government. However, there is virtually no securities regulation protecting the public.

Price-fixing, both horizontal and vertical, is standard business practice. With one of Europe's lowest corporate tax rates, highest personal tax rate, second highest sales tax (nearly 18 per cent, including all food items), and a low capital gains tax, the Social Democratic government was somewhat embarrassed by 1974's enormous corporate profits, which, even after inventory readjustment, were several times 1973 levels. These so-called "surplus profits," accumulated under the cover of "inflation" and "energy crisis," attracted grumbling from rank-and-file union membership. In accord with the rules of corporatism, the Swedish government did not move to tax these profits for the direct benefit of the public. Instead, it merely required that 15 per cent of each company's 1974 profits above \$200,000 be reserved for capital asset investment by the company—which was exactly the intention of industry. This "tax," as the Social Democratic government dared to call it, was greeted by a chorus of approval from union leadership ("... in the best interests of society," etc), by a discreet and grateful silence from industry, and by a purring demurrer from the Conservatives ("it really wasn't necessary to use legislative force").

A hallmark of any corporate state is significant government control of corporate investment decisions, often in the form of compulsory investment schemes. In exchange for the cession of such control, major private capital receives protection from the state. When hard times threaten, private capital can always expect to be bailed out by the state—with nationalization as the favor of last resort. A recent example of state concern for private capital was the government's purchase of 60 per cent of the Swedish brewing industry (one company). Threatened with declining profits as a result of pending legislation to restrict Swedish drinking habits even further, and anxious to diversify into more attractive investment opportunities in the leisure-time market, the brewer and its banker wanted out. The government obliged in a matter of weeks by paying an astronomically high price, far better than the sellers could have received on the private market. The finance minister,

who now controls almost all gambling, drinking, and smoking in Sweden, justified the state as brewer by stating: "If we can't abolish sin, we can at least socialize it." Neither the right-wing parties nor industry demurred.

Thus in Sweden the major sources of private capital, which are conveniently very few, have availed themselves of the state's legislative powers and executive jurisdiction to preserve their positions of private ownership and expand their monopolistic structures. To achieve these ends, by no means fully realized yet, Sweden Inc. is fast becoming The Total Institution.

Corporatism has been called "fascism with a human face." While this estimation would certainly be considered an outrageous insult in Sweden today, it nevertheless remains true that the Swedes have perfected the essential elements of the economic strategies employed by the Fascists in Italy and the National Socialists in Germany to deal with the interwar crises. Exotic permutations of corporatism were developed after the war with union-based Peronism in Argentina and Nkrumah-style "African socialism." The architects of the Swedish corporate state have admired all these movements at one time or another, learning from their failures as well as their successes. In the mid-thirties, a Nobel prize-winning Swedish economist and leader of the ruling Social Democratic party's brain trust wrote several influential tracts praising the accomplishments of German National Socialism.

The London *Observer's* Scandinavian correspondent, Roland Huntford, in his well-informed, if rather vitriolic, *The New Totalitarians* (New York, 1972) offers some startling insights into current thinking on corporatism by the present Swedish government (although the conservative Huntford virtually ignores the role of private capital in building the corporate state). A Social Democratic party mandarin, Sven Moberg, deputy minister of education, with prime responsibility for the centralized control of all universities in Sweden, is quoted by Huntford as supporting mandatory universal student membership in a nationwide union because it "is consistent with the aims of my government . . . students must be linked through a corporation to the university and the State, and not individually. What we want in the academic world is an analogy of the relationship between the trade unions and the employers' association on the labor market. The students . . . corresponding to the trade union side. Students must learn to work in some kind of collective organization at university. I admit that this resembles a medieval corporation, but our aim is the establishment of the corporate State. We are aware of the abuses of this system, as in Fascist Italy, and we intend to avoid them. But corporatism has succeeded on the labor market, and we believe that it is the

solution for the whole of society. Technology demands the collective."

One may wonder what has happened to Swedish socialism. François Mitterand, the French Socialist leader, has offered the view that Swedish socialism has grown too cautious with age and stale with aging leadership. The Swedes know better. In a theatrical review playing Stockholm last season, August Palm, the tailor who in 1881 introduced as a German import the first inklings of socialist thought in Sweden, returns from the dead. He is informed that the Social Democrats have been in power for forty-two years. "Yipee! Socialism has arrived!" he cries. The audience invariably roared with laughter.

Once a dream, then a party platform, socialism has never really been put into practice in Sweden, which, just in terms of nationalization, lags far behind even a Great Britain dominated by Conservative governments for the past four decades. Since the war, "socialism" has declined to little more than a slogan for the Swedes, while the corporate state was being built on a firm foundation of welfare by a Social Democratic party growing less ideological as its vested interests in the status quo increased. In the last elections the Socialist idea was finally put to rest by the government's most powerful and senior member, Gunnar Sträng, finance minister for the past two decades. "Socialism is dead," he reassured the electorate. "You can put it in the closet and forget about it." With this frank admission (exceedingly rare for Swedish politics), the Social Democrats proceeded to form yet another government after an election they were expected to lose. The opposition, three right-wing parties who style themselves "the bourgeois bloc," ran a foot-dragging campaign, most reluctant to assume the reins of government after nearly four decades of luxuriating in parliamentary privilege without responsibility. After all, as the bourgeois bloc leaders were constantly reassuring the voters, there would be no substantial changes in the corporate welfare state if they won.

The "new" Social Democratic cabinet is a minority government which could theoretically be brought down by the opposition and forced to endure another election. There is little danger of that's happening, however. The bourgeois bloc leadership has no intention of embarrassing the government; on the contrary, they have all indicated their readiness to assist it.

All four major Swedish political parties are, with minor variations, committed to corporatism. Only VPK, a Marxist-Leninist party with a tiny parliamentary toehold, expresses any real opposition. And even VPK is trapped by the terminology of traditional rhetoric in depicting the people's enemy as Capitalism, instead of Corporatism.

As if to formalize in law what already seems to exist in fact, a leading Social Democratic parliamentarian has recently published a book recommending

that legislation no longer be a matter of parliamentary voting; the nation's entire body of laws, including all budgetary matters, should in the future be the result of governmental and bureaucratic fiat in consultation with society's various nongovernmental corporate bodies (the unions, the employers' association, the national association of manufacturers, and the cooperative conglomerates, or so-called "popular movements"). This would be far more democratic, the author maintains, and parliament itself would then be liberated from the burdens of legislating, free to devote all its energies to "a dialogue on the larger issues, voting perhaps three or four times a year on national directives, like the goals of a five-year plan." These proposals were not intended as irony, but are being seriously considered.

The recently announced Social Democratic party platform for the coming decade held no surprises, promised none, pledged itself to more of the same, and specifically repudiated socialism. This ideological recantation has paved the way for a more aggressive, open pursuit of the goals of corporatism, defined by Pahl and Winkler as Order, Unity, Nationalism, and Success, to which one should add in the case of Sweden, Social Security.

All these goals place a high premium upon conformity, a quality deeply ingrained in the Swedish character, nourished by historical traditions, social and political institutions, and reinforced by the criminal codes. It is no coincidence that the Swedish academic, political, and business establishments all sing the praises of Skinnerian behavioral technology. In no other nation have Skinner's precepts received such a broad and receptive audience. It is not a question of taking direction from Skinner, however. There existed a predisposition to his ideas and values, to using the techniques of behavioral psychology to build a society blueprinted in Sweden, long before Swedes began to swear by Skinner.

Much of the private capital in Sweden is concentrated in the hands of two closely held banks and their holding companies. One bank, founded in the early nineteenth century, is controlled by the legendary Wallenberg brothers, of whom *Fortune* magazine once wrote that no other family in the world exercised as much economic power within its own country as the Wallenbergs enjoy in Sweden. (Not prone to hyperbole, Swedes often speak of fifteen families controlling most of the nation's wealth.)

In 1970 the Social Democrats sponsored legislation encouraging the Wallenberg consortium to take a quantum leap in size by allowing the family bank, Sweden's third largest, to merge with the second largest bank. The move brought scores of competing firms, suppliers, and purchasers under the same financial roof, most notably both Swedish automobile manufacturers, Volvo and Saab. This colossal

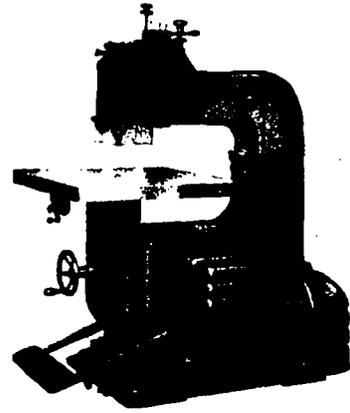
merger was accomplished with scarcely a whimper of political or public protest; the press covered it more as a Wallenberg family social event than as a significant development in Sweden's economic structure. The lack of analytical comment was merely another affirmation of the broad-based support in Sweden for corporatism. The merger suited both government and industry in eliminating competition, or "anarchy," as they would describe it. It was a step toward introducing Order to the marketplace.

"Anarchy" on the Swedish labor market was effectively abolished by the Saltsjöbaden Agreement of 1938, whereby the trade unions and the employers' association laid a cornerstone for the corporate state by virtually outlawing strikes and creating the institution of centralized wage bargaining for the entire nation. Most wages in Sweden are now set by a series of these negotiations. The results are invariably preordained, and no amount of heated coverage of these nonevents by the state-controlled radio and television network can excite genuine popular interest. The process is now developing to the point where it is hoped that in the next few years virtually every wage earner in Sweden, unionized or not, white or blue collar, will have his annual salary set in one round of negotiations by a small group of representatives from a few monolithic organizations for whom the government has laid down the guidelines in advance. The limits of tolerance are closely observed in the carefully choreographed negotiations.

Even by the terms of the present agreements no employer is permitted to pay less or more than the stipulated scales; the wage agreements assume the status of statute, albeit unlegislated. Employers are thus spared the discomfort of competing for labor, there being no significant wage differentials to attract labor from one company to another. This arrangement is seen as doing away with "wastefulness" in employment. Thus the entire Swedish nation aims to function as one corporation, with the government responsible for long-range financial planning, industry for day-to-day management, and the unions acting as personnel department.

Within the unions themselves Order is maintained by top-down control. Union membership is high; active participation is very low. Union official positions are essentially appointive, with the protégé system widespread; elections are little more than ratifications of the leadership selected slates. Candidate selection and promotions within the Social Democratic party reflect a very similar setup. To a slightly less extent the same is true of the bourgeois bloc, where the rewards of party office are not as great. There are no primaries or open conventions in Sweden.

**T**he Swedish Lutheran Church, although still a state church, is no longer thought of as a governmental agency. However, it retains a



few official functions, for example, the keeping of certain basic census records, issuance of birth certificates and marriage licenses. In return for these limited duties, the state through its taxation powers levies an ecclesiastical tax on every wage earner in Sweden regardless of religious affiliation. Every child born in Sweden is automatically registered as a member of the Lutheran Church, unless a special request for dispensation is filed. This has aroused resentment among certain immigrant groups—to which the finance minister, himself a professed atheist, has replied that they should all join the Swedish Church anyway in order to assimilate.

The power of the Swedish unions is greatly enhanced by their having sole jurisdiction over unemployment insurance—collections, payments, and administration—for *all* employees. Part of the justification is that union men themselves are more capable of spotting malingerers; thus productivity is protected. (No other unions in the West are as concerned about productivity as are the Swedish unions. None, for example, supports the piecework system as do the Swedish trade unions. Piecework is still very common in Sweden, practiced in such unlikely industries as shipbuilding and construction.)

Order has been established on the Swedish real estate market ostensibly for the elimination of short-term speculation in land and rentals. This has been accomplished by restrictive property legislation and tax measures favorable to the long-term ownership or financial control of land and housing by large institutions, usually the banks and insurance companies. Much of the so-called public housing in Sweden built in the past few decades and managed by the cooperatives or local communities ultimately benefits the private capital interests which finance it. The "public" housing bureaucracy is enormous, making available thousands of jobs for the parties' faithful. This institutional apparatus, although possessing formal title, very often functions mainly as rental and management agent to provide a corporate veil for the private financial backing. The state's eminent domain powers, subsidies, tax relief schemes, and guaranteed loans make "public" housing an extremely attractive proposition for private capital. Large-scale corporate housing also allows for a highly efficient use of land, cramming families into

high-rise buildings in a country with an enormous surplus of undeveloped land and a small population (eight million). These anomalies have, after forty years, finally aroused resentment against the political and banking establishments, which are now turning their talents to devising similar schemes for row housing, which will at least offer each family a tiny garden, some privacy, and, it is hoped, relief from the social costs of the juvenile delinquency, alcoholism, and mental illness that are rampant in many of the high-rise developments.

All multiple dwelling rents in Sweden, whether paid to "public" or private landlords, are set by negotiations between the association of landlords and the national tenants' union. Most tenants in Sweden do not belong to the union, while more than 50 per cent of Swedish families, predominantly working class, live in rented apartments. However, *all* tenants are bound by law to whatever rents and terms are agreed upon by these two nonofficial corporate bodies, the agreements functioning as non-legislated statute. The macroeconomic health and conditions prevailing within the building and housing finance industries at large are the controlling factors for both groups. Surprisingly, there is little criticism of this system. It is thought of as efficient, *orderly*, therefore inherently good and desirable in the corporate state.

A recent notorious example of a Swedish non-official organization performing official functions involved the usurpation of the state's judiciary powers by K.F., the cooperative arm of the Social Democratic party and the country's leading wholesale and retailing conglomerate, with an annual turnover higher than that of any other financial organization in Sweden. It seems that for the past quarter of a century the Social Democratic cooperative has been running its own court system to prosecute employees accused of criminal infractions in the course of their duties. The system has apparently never been questioned by employees, nor brought to public attention until the recent case of four women cashiers accused of dipping into the till.

Locked in separate rooms until they signed prepared confessions, they were then released and dismissed. The women took their case to a state court, which handed down an acquittal in the form of a *reversal* of the cooperative's would-be lower court decision on the grounds that the confessions had been improperly extracted. The state court's decision did not comment upon the cooperative's usurpation of the judicial function, nor were charges brought against K.F. for false imprisonment. A K.F. spokesman would admit only to a possible abuse of rightful powers. It is considered very likely that the case will encourage other nongovernmental institutions to expand their encroachments on traditional state functions, all rationalized as further contributions to the national Order.

Unity (or *Solidariete*, its official Swedish euphemism echoing the labor struggles of this century's early decades) is "the substitution of cooperation for competition," as viewed by Pahl and Winkler. "This desire for collaborative effort arose from a revulsion against the perceived wastefulness of competitive struggles on all fronts."

Swedes are subject to a constant barrage of official and media propaganda urging them to cooperate. To cooperate with whom and for what specific ends is often left vague, the incitement to a generally cooperative attitude about everything being quite acceptable.

While serving as the Social Democratic minister of education, Ingvar Carlsson, himself a protégé of former minister of education and present premier Olof Palme, repeatedly stressed that "the aim of education in Sweden is not to develop intellects, but to develop good citizens, to instill in all Swedish youth the will to cooperate." All the school and university reforms of the late sixties were supposed to have these ideas as guiding principles. Defending these controversial reforms, Prime Minister Palme recently offered as proof of their success the statistic that more students were now choosing shop and vocational courses over academic courses, that academic courses were fast losing their prestige value. Not mentioned by the government are the survey results which show slow students, whom these reforms were touted as benefiting, receiving no more special assistance than their counterparts in the late forties. However, today's slow students no longer feel slow. *Perceived* equality is essential to fostering a will to cooperate; there is precious little motivation to practice solidarity with those who are obviously more advantaged.

*Samarbetsviljan*, the will to cooperate, will soon be instilled in pre-school-age children when nursery attendance becomes obligatory. Nurseries, or day homes as they are called in Sweden, are not being officially promoted as institutions primarily for the training of good citizens; their official selling point is the liberation of women.

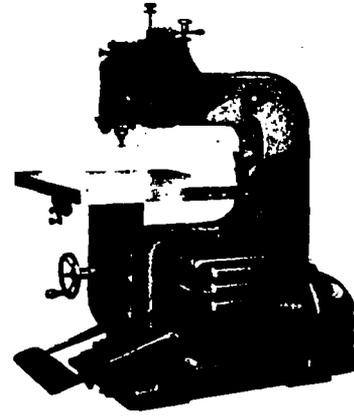
Several years before women's liberation became a fashionable movement in any country, the Swedish government submitted a paper to a United Nations study group urging the liberation of women for industrial jobs that society had difficulty filling with other than socially costly foreign labor (a very important consideration in a largely xenophobic Sweden). This motivation is present in most media discussion and official programs aimed at equality for women in Sweden today. The emphasis is invariably upon freeing and training women for jobs in industry previously restricted to men. There is little discussion or effort being made about opening top or even middle-management positions to women, who in private, state, and corporate institutions are now represented at these levels only on a token basis.

Increased personal and sales taxes, rents, and retail prices are forcing not only working-class but also many middle-class housewives out onto the low-income labor market in order to maintain their families' standards of living. Only in a highly concatenated, centrally controlled corporate state with an extremely cooperative population could such a radical social change be accomplished with so little strain on the social fabric of the nation.

At the beginning of the seventies the Social Democrats and the trade unions conducted a national campaign for political action under the slogan *ökad jämlikhet*, increased equality (not intended solely for women). The phrase provoked derisive laughter from Sweden's tiny group of gadfly intellectuals, who pointed out that equality was not a quality susceptible to either increase or decrease; it either existed or it did not. The general populace spared itself the bother of such hairsplitting, secure in its instinctive knowledge that what the establishment was urging with these code words was merely more of the same, a promise that increased conformity and cooperation would be rewarded with increased material security.

The Swedish way of life saddles the individual, Skinner's "autonomous man," with the same opprobrium cast upon the "cosmopolitan" in Soviet society. In Sweden the individualist is painted both by official and popular pronouncement as amoral, immoral, asocial, or even criminal, a crack in the wall of national solidarity. The Swedish criminal code continues to make asociality a punishable offense. This vaguely worded stricture is a remnant of a mass of German National Socialist-inspired legislation passed in the mid-thirties under a Social Democratic government. Much of this legislation has never been repealed and is disinterred from time to time whenever Unity or Order is perceived as threatened. This threat has been prominently depicted in books, plays, and films of the past decade in the form of sharp-dealing foreigners who intrude on "our Swedish idyll" with the aim of destroying it.

**A**mong the more glaringly repressive laws passed during the past few years by the Swedish parliament have been the Terrorist Law, the so-called Billy Club Act, and sections of the new constitution. All strengthen the status of Sweden as Total Institution. The Terrorist Law is ostensibly aimed at reducing acts of political terrorism in Sweden. There have been two such acts in the postwar years: the assassination in 1970 of the Yugoslavian ambassador by members of Ustasha, the neo-Nazi organization of Croatian separatists, and the subsequent hijacking of a plane to secure the assassins' release from prison (a demand to which the Swedish government was quick to capitulate). The Terrorist Law now makes it possible for the Swedish police to arrest, imprison, and deport without hearing or trial any foreigner merely presumed by the police



to be a member or sympathizer of a group espousing the use of violence for the achievement of political aims. The Swedish police have received virtually limitless powers of physical and electronic surveillance over foreigners only. There is no law penalizing such membership or sympathy on the part of a Swedish citizen.

Sponsored by the Social Democrats, the law fails to list any specific groups so blacklisted. The government maintains that there is indeed such a list but that national security dictates its being kept top secret. The primary effect of the law has been to terrorize many foreign residents of Sweden into political nonactivity, especially where their inclinations are toward the Left. The law has been known to apply only to foreign leftists. It had been used extensively against Arabs, whether political or not, until last winter's oil crisis brought about an abrupt change in official Swedish attitudes. Once Sweden was decidedly neutral on the side of Israel, but now it supports many PLO claims. The one organization the government previously admitted to be on its blacklist was Al Fatah.

The Terrorist Law and its application have provoked criticism from small groups of Swedish civil libertarians. However, no critical voices have yet to be raised against an even more sweeping Social Democratic proposal aimed at controlling foreigners, at negatively reinforcing their behavior into conformity with established Swedish social and political institutions. This past autumn the Swedish government introduced a bill revising certain deportation procedures without political references but with a potentially broader range of political applications than the Terrorist Law (which is limited by its qualifying reference to violence). After the new law's expected passage in the spring of 1975, the police will be empowered to deport immediately (without trial hearing or access to legal advice) any foreigner simply accused by the police of an offense under Swedish law.

The justification for giving the police these sweeping powers is, according to a Justice Ministry spokesman, that "it will spare Sweden the expense of trying tourists who break a law while visiting Sweden. It's easier and simpler for their home country to prosecute." (However, the law does not limit its appli-

cation solely to foreigners holding tourist visas; it also applies to the over half million foreign residents of Sweden.) The Justice Ministry's disingenuous rationalization fails to take into account legal practice in almost all countries, namely, that no state will prosecute or punish a person suspected of committing a crime outside its jurisdiction. Not the least of many reasons for this ancient legal principle are the impossibly difficult evidentiary problems, the reasonable unwillingness of one state to pay for the administration of another state's criminal code, and the fact that what may be a crime in Sweden, for example asociality, may not be a crime in the foreigner's homeland. However, dictatorships, traditionally lax in the observance of accepted legal principles, might welcome the return of political dissidents who may be calling international attention to domestic injustices.

A case in point occurred last year when Iranian students held peaceful sit-ins at four of the Shah's European embassies. In three countries they were simply ushered out after presenting their protests against the torturing of Iranian political prisoners. Only in Sweden were the demonstrators arrested and imprisoned for illegal trespass and property damage (removing a photograph of the Shah). The incident happened to coincide with negotiations between Iran and a Swedish company, controlled by the Wallenberg family and heavily subsidized by the state, for the sale to Iran of over \$1 billion worth of Swedish-made nuclear power plant installations. The prosecution of the Shah's critics in Sweden certainly could not harm those negotiations, but it did provoke embarrassing criticism of the Social Democratic government from Swedish civil libertarians and a few politically independent newspapers.

The new deportation law will allow for the swift and virtually secret removal from Sweden of potentially embarrassing foreign political dissidents. Because the law will be discretionary, the Swedish authorities will be free to pick and choose which foreigners it would be most advantageous to deport. The law could function as the ultimate negative reinforcer requiring foreign residents in Sweden to behave exactly as the state and the corporate organizations order.

More than 50 per cent of Sweden's population is over 48 years of age, as compared to a median age of 25 in the United States. In Stockholm pensioners presently comprise 15 per cent of the population and, within a few years, one out of every five of the city's inhabitants will be over 65. The young are clearly a minority and as such are discriminated against, albeit to a lesser extent than are foreigners. The discrimination is to the benefit of industry, especially retailers, who are anxious for cheap labor and for enforcing conformity with the dour behavior patterns of the elderly majority, and training the young for full membership in the corporate state. It should

be noted that when Swedes speak disparagingly of *ungdomar*, youth, they may well be referring to persons in their mid-thirties with still more than a decade to go before joining the majority. Demonstrative behavior, especially if even vaguely political, will also earn the over-thirties the contemptuous label *ungdomar*.

Politicians are not unaware of the demographics. One party leader has spoken frequently of *ungdomar* as "our own domestic brand of terrorists." The police have found the young to be a convenient excuse for increasing personnel, budget, and powers through legislation like the Billy Club Act proposed by the Social Democratic government just before the last election and passed by parliament without any hearings. It allows the police to jail without charges for up to six hours any person who, in the judgment of the police, appears to be "in proximity of threatening to disturb the general order," with the stipulation that the police, upon releasing the detainee, inform the social authorities. The police claimed that the law was necessary to help them "control people in public places who have not committed any crime." Although the law does not specify that it may be used only against *ungdomar*, the government promised that it would in practice be applied only to young people, not to decent citizens or to political demonstrators, as was feared by some civil libertarians. The assurance was sufficient to win parliamentary and press approval.

Of the over three thousand *ungdomar* jailed this past summer in Stockholm alone, the social authorities were informed of none. The law has been repeatedly used with impunity against persons leafleting or picketing public places, no specific restrictions against such detentions ever having been written into the statute. These persons invariably represent committees for various causes which are not sponsored by the established political parties or corporate organizations. For example, the police in Stockholm used the Billy Club Act to jail a dozen or so young Greeks who, independent of the Social Democratic sponsored antijunta committee, were leafleting and picketing in an attempt to influence Swedish public opinion immediately after the massacres at the Athens technical university. The Swedish government had recently resumed full diplomatic relations with the Greek junta. But even more important, this was unsponsored political activity, which is severely frowned upon in Sweden. It is condemned as *osolidarisk*, as subversive of Unity.

Swedish writers and artists derive most of their income from an extensive system of subsidies administered either by state agencies or through the "cultural workers" unions and other corporate bodies. Cursed with a tiny audience at home and virtually no market abroad, Swedish *kulturarbetare* have enthusiastically conformed to the behavioral expecta-

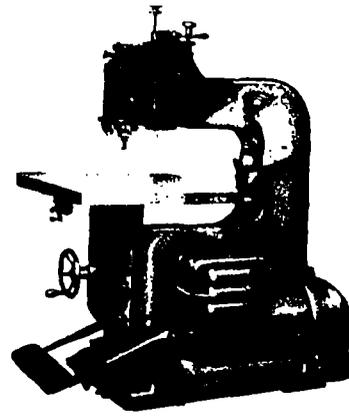
tions of corporatism in exchange for subsidized support. The few private sources of income available, such as publishers and film production companies, require virtually the same conduct as do the public institutions, since they in turn are receiving some form of subsidy. The conformity engendered by this heavy dependency results in a predictably dull, unimaginative, and monotonous cultural output. It is stubbornly provincial even when, as is all too common, it is so outrageously derivative of foreign works as to invite charges of plagiarism. (However, insularity and the common consent generated by pervasive practice make plagiarism a word barely spoken, much less formally charged.) This cozy, cooperative cultural climate has precluded the necessity for negative reinforcement. The repressive legislation passed in the mid-thirties to guarantee the cultural behavior demanded by corporatism seldom needs to be used.

Or at least that was the situation until May, 1973, when the first major crack appeared in the Swedish corporate wall of intellectual conformity. Known in Sweden as "the I.B. affair," the crack is still growing, its shock waves spreading.

Under the aegis of Sweden's middle-aged *enfant terrible*, Jan Myrdal, *Folket i Bild*, an unsponsored, radical, grassroots magazine of modest circulation, had revealed for the first time that Sweden was conducting a foreign intelligence service (discreetly called "The Information Bureau") which had, in violation of Sweden's public posture of neutrality, cooperated with American and Israeli intelligence in burglarizing Arab embassies in Stockholm, photographing Arab port facilities, planting listening devices aimed at the Soviet Union from Finnish soil, and coordinating infiltrations across the Soviet-Finnish border. The story was a novel example of investigative journalism in Sweden; it was also a unique instance of government agents leaking sensitive information for publication. The government denied the story and continued to maintain the traditional position that Sweden never had a foreign intelligence service, a fiction always relied upon by the public in its firm belief, encouraged by government propaganda, that Sweden was morally superior to other nations and therefore above spying.

The agents then stepped forward, presented their evidence, and a few days later the Social Democratic government began a series of retractions and admissions, previous denials having become inoperative. Comparisons were first drawn to the American Pentagon Papers. After one of the agents vanished from Sweden only to reappear with his family leading a life of luxury at a continental hotel paid for by the Swedish government in exchange for his silence, the I.B. affair was renamed "the Swedish Watergate."

Unlike its American namesake, the Swedish scandal resulted in no government resignations. Nor was



it pursued by the established press with any vigor, coverage being restricted almost exclusively to the government's announcements along with synopses of *Folket i Bild's* revelations. There were no follow-ups. "Investigative reporting is too much work," said one of Sweden's leading editors. "We have no tradition of that. There isn't even a satisfactory Swedish translation for the phrase *investigative journalism*." Another major variation of the Swedish Watergate has been the prosecution and sentencing to one-year's imprisonment of both journalists and of one of the sources for "indirect spying," a violation of a sweepingly vague statute disinterred for this special occasion.

Before their trial the journalists managed one more article revealing that the Information Bureau was also active in infiltrating left-wing domestic political groups and burglarizing their offices, in investigating labor dissidents, and in translating into English and conveying to the American Embassy all the files on American war resisters held by the Swedish and immigration agencies. These revelations were especially upsetting because the Bureau is not merely a part of the Swedish military but is staffed entirely by civilians closely connected to the leadership of the Social Democratic party. (Prime Minister Palme reportedly held his first job after university graduation at the Information Bureau, where he was placed as a protégé of the then premier, Tage Erlander.) A foreign affairs advisor to the Prime Minister boasted in private conversation that not only was the I.B. staff handpicked by the party, but that it was the envy of every other Labor party in Western Europe. Asked what, if any, were the negative effects of the I.B. affair for Sweden, this same young party apparatchik replied, "People don't trust politicians as much as they used to." He singularly refrained from mentioning any "damage to the nation's security," the publicly bemoaned result of the indirect spying which prompted the jail sentences.

Although the son of two of the Swedish corporate state's founders, Gunnar and Alva Myrdal, Jan Myrdal is undoubtedly Sweden's most brilliant social and political critic, its most prominent self-educated high-school dropout. His prominence has made the government extremely reluctant to use its vast array of repressive legislation to silence him. Instead, and

as a result of several recent Myrdal columns criticizing the Supreme Court's handling of I.B. affair appeals, the government is now prosecuting *Folket i Bild's* publisher of record, a deeply religious, ascetic, middle-aged woman, Greta Hofsten. Her trial for publishing "rumors causing the public to lose respect for an official authority" was heard by a jury of ordinary citizens who acquitted her on all counts of undermining respect for a Supreme Court accused in her magazine of relenting to political influence in its decision-making.

Certain kinds of rare press trials have been the only instances in Swedish judicial practice allowing for juries. Although even this limited opportunity for public participation will soon be legislated away to make room for a panel of judges and media professionals who will be "more sensitive to the problems of public expression." This new *freedom of expression court* will have jurisdiction over all forms of public expression except, for reasons unstated by the government, theatres. (Virtually all theatres in Sweden are, however, controlled by the state.)

The I.B. affair and its brood of intellectual offspring have shaken the Swedish political establishment into proposing an even more comprehensive mix of positive and negative reinforcers of intellectual behavior. The primary coercive tool has already been passed in the form of a new constitution, the first constitutional reform in almost 150 years. During its twenty-year drafting period the new constitution provoked virtually no public discussion either by politicians or the press. In the new constitution all civil liberties and rights, up to now guaranteed by practice, were being codified into a Bill of Rights, with one significant distinction: all rights and liberties could in the future be modified to whatever extent deemed necessary by a simple parliamentary majority. In other words, what had in the past been more or less inalienable *rights* for Swedes have now been reduced to *privileges* which can be withdrawn or restored as the government sees fit. All parliamentary discussions on this Bill of Rights were held *in camera* because, as one M.P. put it, "Discussion of these matters can be too upsetting for the public." An arch-conservative professor of law at Stockholm University, Jakob Sundberg, has said that the new constitution really doesn't alter anything, because "civil rights have always been a joke here."

A parliamentary commission investigating the I.B. affair, also *in camera*, has recommended that the police retain their power to seize the files of journalists and newspapers. At the time of the arrest of the *Folket i Bild* journalists, the police impounded the magazine's files and archives, thousands of pages and photographs. (An analogous situation would have been the FBI's seizing the entire files of the *New York Times*, the *Washington Post*, and the *Boston Globe* after the publication of the Pentagon Papers.) The Swedish Government's rationale for this police

encroachment upon freedom of the press and expression is that journalists should be *equal to* all other citizens. But in the future, the government has promised, an *ombudsman* will accompany the police to ensure that the anonymity of news sources is protected, an impossibly difficult task to perform in the midst of a police raid. The Swedish *ombudsman*, an institution much overrated and misunderstood by Americans, usually functions in this way, that is, as a procedural sop for complaints aimed at official conduct but without offering any substantive remedial protection.

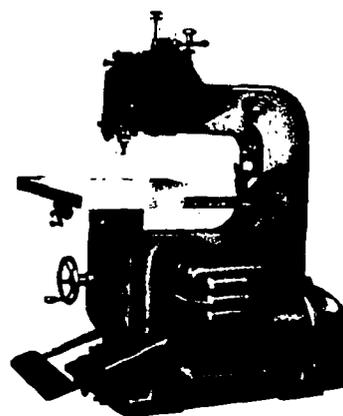
Combined with this negative reinforcer of journalistic behavior is the system of state subsidies to daily newspapers in effect for the past few years. The amount of any newspaper's subsidy is determined by the government on the basis of need.

The dean of Stockholm's school of journalism, a politically approved appointment, has urged that all journalists be licensed by the state in order to practice. One qualification for licensing will be successful completion of a year's study at a state school of journalism (which requires only a high-school diploma for admission). This proposal is being seriously considered by the government and the journalists' union as a means of protecting the *freedom to express*.

The Swedish press, already subject to intense pressure from the state through the subsidy system, from business through advertising revenue, from the major political parties and the unions through direct ownership, will as a result of all these *reforms* be formally denied *freedom from* state and corporate interference, while it is guaranteed in the Bill of Rights a limited *freedom to* express itself. And finally, the present "freedom of the press court," a unique Swedish institution, will soon have its jurisdiction expanded to include almost all forms of public expression.

As a result of a recent proposal, artists will also be receiving positive reinforcers. A government committee has proposed that all artists be placed on a state salary and paid a royalty each time a work of art is exhibited at a public institution. The Social Democratic arts committee also recommended the establishment of an art consumers' *ombudsman* to advise the public on what art to buy and what to avoid. The committee chairman left no doubt about the motivation underlying these proposals: "Art is as important as theatre and film for spreading ideas. The state must guarantee that art is used to spread useful information to the public, to stimulate an informed dialogue."

The military have requested the right of prior approval of all radio and television programs touching upon their domain. The police have demanded broad powers to control the public at trials, severely restricting access especially to trials with political overtones. Both groups are expected to have their needs met as discreetly as possible.



The *duty of silence*, now covering all state positions with access to sensitive information, will soon be drastically expanded by law in 1975 to cover virtually all state employees down to and including school janitors and cooks. The penal consequences of violating this obligation to remain silent will effectively stifle the unauthorized flow of information from any public institution.

Just as in Swedish primary and secondary schools, all liberal arts and social science courses at the university level are prepared centrally at the ministry of education. Any deviation from the prescribed lesson plans and syllabi is not encouraged and must receive prior ministerial approval. The country's few full professors are all government-appointed and have the only claims to tenure. Almost all other faculty members are hired term to term after student registrations are completed. Several years ago the ministry of education under Olof Palme's direction extended its control beyond the school system to include jurisdiction over all radio and television broadcasting, previously the domain of the communications ministry. When the remaining private interests within the film business are brought under government control, it is planned that the education ministry will also assume responsibility for motion picture production, both directly and through the corporate body of the Swedish Film Institute.

These recent trends in Swedish legislation aimed at reinforcing *unified* behavior were neatly summed up last year by a government braintruster, a professor of psychiatry, Nils Bejerot: "Social democracy means social control," or at least that is its definition in Sweden today.

Corporatism requires, according to Pahl and Winkler, "the elevation of the *general welfare* to complete priority over self-interest or sectional advantage." This is readily apparent in the constant Swedish derogation of the concept *individual*, regardless of context. For example, the comprehensive national health programs are all geared to just that, the *national health*, to maintaining the corporate body in good working condition. Social ministry officials usually speak of the health service in terms of national statistics, meeting frequent criticism (about impersonal conveyor-belt treatment, interminable waiting for appointments, and the near impossibility of seeing the same doctor twice) with the reply that treatment need only be technically adequate to support good national health statistics, of which Sweden can certainly boast.

The importance of *national performance* is made a matter of personal concern for every citizen. For example, there is scarcely an hourly news broadcast without at least one mention of a Swedish company's recent export contract, as though it were an accomplishment of the entire Swedish population with everyone sharing in the profits. Quarterly profits,

balance-of-payment figures, and virtually all other imaginable economic indicators are regularly announced in comparative terms, Sweden versus the rest. Advertising copy constantly stresses the Swedishness of every domestically produced product. The flag and the national colors are ubiquitous on packaging and even clothing, not to mention promotional campaigns. Even an individual's accomplishments will be presented as *Swedish* accomplishments. Björn Borg, the young tennis star, is treated as a national asset; after his "purchase" by a Wallenberg group, the media spoke of him as being *saved for Sweden*, as though he were an old masterpiece.

This extreme nationalism reached a peak of absurdity when newspaper banner headlines screamed in the summer of 1969: *Swede Lands on the Moon!* Edwin Aldrin is of Swedish descent several generations removed. This fact was prominently featured in every story of the moon landing. Ordinarily, even the leading Swedish newspapers will not carry more than two pages of foreign news shared with several columns of advertising.

Economic nationalism is presently the theme of a major promotional effort in Sweden. The media camouflages it in terms of fighting "cultural imperialism," calling for a nationwide campaign comparable to a military mobilization to keep Sweden Swedish. While feeding the well-founded fear of multinational corporations (read American), the government is encouraging extensive investment by Swedish-controlled multinationals in extractive and labor-intensive industries in Third World countries, where they find the natural resources and cheap labor unavailable at home.

Naturally Swedish capital is most appreciative of the protective environment being created for it at home by these political efforts. Labor union leadership remains silent on the loss of tens of thousands of jobs to workers in other countries. Along with the Soviet Union, Sweden leads the international effort to ban television broadcasting via satellite over international borders without specific prior approval of program content.

The attainment of *national goals* is made to seem of utmost importance to every Swede. The media dutifully conveys in the form of news stories the daily official press releases on targets and objectives set and met. Broader goals such as "beating inflation"

and "solving the energy crisis" are now serving as rationales for expanding state control over a private sector of increasing economic concentration.

And then there is Social Security. Welfare has been taken for granted in most of postwar Europe and Scandinavia. Only in Sweden, where it is most extensive, is social security constantly stoked as a burning issue of anxious concern, a national goal demanding persistent striving, worthy of all public attention, if not worship. *Trygghet*, an all-embracing security guaranteeing absolute stability, often seems like the most used word in the Swedish language (followed by *demokratisk*). No political speaker, no social commentator, fails to mention *trygghet* when he wishes to win over an audience, regardless of his subject. *Trygghet*, and its opposite *otrygghet*, or insecurity, are themes forever played upon by the corporate state. *Insecurity Is Dangerous! Are Swedes More Insecure Than Other People?* These are daily headlines, nightly topics for television and radio talk shows.

Political change is viewed by the Swedish body politic as instability, a threat to *trygghet*, the road to economic collapse. Herein lies the key to understanding nearly forty-three years of Social Democratic reign with the promise of many more to come. It is this stable political environment, so totally predictable, that has allowed for the cession of real political powers to corporate bodies. Roland Huntford has elicited a very revealing quote from Bror Rexed, a leading Social Democratic theoretician and director of the entire network of social services in Sweden: "Social welfare limits political action because nobody will tolerate a threat to their benefits and the power of the welfare state . . . . So the whole environment has to be arranged to bring people into the welfare state."

A survey of second-year sociology students at Stockholm University uncovered the following as the most commonly accepted definition of democracy: *A political system in which every citizen has an equal right to welfare.* It is not at all an exaggeration to say that this unorthodox concept of democracy is the one most acceptable to the overwhelming majority of Swedes. The negative reinforcement of repres-

sive legislation is also accepted as strengthening *trygghet*, and as insurance against *otrygghet*. Huntford offers an explanation for this in the words of the national ombudsman, Bertil Wennergren: "The Swede . . . does not have much respect for the law. Why? Well, all people want security. Now you in England, in America, and I might say in most countries, get your feeling of personal security from the rule of law. But Swedes get it entirely from social welfare. So that our people regard welfare as you regard the law."

Great Britain and Germany are in the forefront of EEC nations planning a future based upon corporatism. For both countries Swedish accomplishments are spoken of as models to be emulated. It remains to be seen if their peoples are as susceptible to the social technology of positive and negative reinforcing as are the Swedes. This seems especially doubtful in the case of the British Isles, where personal freedoms have a much stronger legacy.

Personal freedoms do appear to be only part of the price Swedes have had to pay for their *trygghet*. Several high-level psychiatric studies have shown a sharp increase in mental hospital admissions over the past few years. The annual tranquilizer dosage rate is a staggering forty per inhabitant. One survey concluded that "about 25% of the population suffer from mental inadequacies or neuroses to such a degree of severity that qualified help is considered necessary." Dr. Hans Lohman, director of these governmental studies, is of the opinion that the statistics demonstrate the "human crushing process" of Sweden's efforts to remain highly competitive on world markets.

It is in one of these markets, the so-called Third World, that corporatism will eventually find its most fertile soil. Its peoples would undoubtedly welcome the choice between their present condition and a "surrender of personal freedoms" in exchange for freedom from an unending cycle of disasters. Or at least so it appears to the Swedish leadership. If one is to believe its premier, Olof Palme's future lies with these emerging nations (and markets) of the Third World, "those other small nations with whom we have so much in common."