SWEDEN'S ROUTE FROM POVERTY TO PROSPERITY

A liberal recipe

SILC SWEDISH INTERNATIONAL LIBERAL CENTRE

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Anders Johnson is an author who specialises in Sweden's political and economic history. He has written several books on the history of Swedish liberalism and Swedish entrepreneurship. He has also been a Liberal member of parliament.

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”Let us, if possible, acquire pensions and shelters for the old, infirm and sick; but for the young, let us provide work, free competition, opened avenues for development and noble aims in life!”

Fredrika Bremer

Why this book?

This book has been produced at the initiative of the Swedish International Liberal Centre (Silc). Our global partners are in countries with widespread poverty, in the wake of which follows sickness, constant worry that paltry incomes will not cover the most basic necessities, limited access to education and feelings of despair. Pushing back poverty and increasing prosperity is a priority goal for Liberal parties in all countries.

Sweden is currently one of the wealthiest countries in the world. But it has not always been so. In the 19th century, we were one of the poorest. We Liberals can feel proud to say that we have been part of this rags-to-riches tale. More than anything else, it was Liberal reforms that transformed our country from Poor Sweden to Prosperous Sweden.

We think there are many lessons to be learned from the Swedish example. So in response to the request for advice that we sometimes get from our international partners, we have decided to produce this book, which has been published in both English and Swedish.

We are fully aware that it is rarely possible to carbon-copy a recipe for success in the real political world. Nevertheless, we hope that the story of how Liberal reforms lifted Sweden out of poverty can inspire, intrigue and promote important debate. And Silc is always on hand to provide more detailed and supplementary information.

Lars Leijonborg
Chairperson of Silc

Combating poverty

Conservatives have often defended wealth, while many socialists have seen it as one of their primary missions to combat it. For Liberals, the most important thing has always been to combat poverty.

In 1791, the British Liberal writer Thomas Paine stated that "We have also a very numerous poor. We hold that the moral obligation of providing for old age, helpless infancy, and poverty, is far superior to that of supplying the invented wants of courtly extravagance, ambition and intrigue." The same sentiments were expressed by President Franklin D. Roosevelt in his second inaugural address in 1937: "The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

In his *Conjecture and Refutation* from 1962, Austrian-British philosopher Karl Popper dismissed the idea of trying to achieve happiness via political routes, arguing that, instead, politics should concentrate on eliminating poverty. His American colleague John Rawls claimed in his seminal work *A Theory of Justice* from 1971 that social and economic inequalities can only be defended if (a) they are attached to offices and positions that are open to all under conditions of fair equality of opportunity and (b) they are to the greatest benefit of the least advantaged.

Rawls's principles, then, condemn all forms of privilege but justify possible disparities in income if, for example, they contribute to favourable economic growth that also serves the interests of the poorest. The living standard of the majority population can never be significantly raised through redistribution from the very wealthiest alone.

A liberal anti-poverty strategy must rest on two pillars: firstly, the promotion of sustainable economic growth; secondly, reforms that deliver immediate improvements for society's most

deprived. The poorer a country is, the greater the emphasis must be on its growth target; and the richer a country becomes, the more it can do for its most needy.

Swedish Liberals have devoted the past 250 years to combating poverty in the country – and their fight has been a successful one. Let us see how it all began.

The father of Swedish liberalism

The person who deserves more than anyone the epithet of "the father of Swedish Liberalism" is Anders Chydenius (1729–1803). A priest in Gamlakarleby in northern Finland – which until 1809 was part of the Kingdom of Sweden – Chydenius's anti-poverty recipe was social reforms, a market economy and democracy.

Chydenius lived in an impoverished end of the country and was deeply socially engaged. He tried to introduce more efficient agricultural methods and in 1761 organised a smallpox vaccination programme for farmers, probably the first ever to do so in the country. He campaigned against the consumption of alcohol, and managed to block the establishment of taverns around Gamlakarleby.

The northern quarters of the kingdom – particularly in the Finnish part – boasted a valuable natural asset: forest. The most economically significant forest product was tar, for which Sweden dominated international exports. However, all exports from the north had to pass through Stockholm, so the handsome profits generated by the tar trade fell into the hands of the city's merchants. Even to this day, "Stockholm Tar" is an international hallmark of quality in the tar trade, even though the product was sourced much further north than the capital.

The regulation that forbade direct export from the northern parts of Sweden was called "The Bothnian Trade Ban", and it was his resolve to have the embargo and other infringements of economic freedoms repealed that propelled Chydenius into the 1765–1766 parliament.

When parliament met in Stockholm, he realised that such reforms could only be implemented if the political system was democratised and the power of the Nobility curtailed to the benefit of the Common estates. Parliamentary records would also have to be made public and press freedoms introduced.

Chydenius was instrumental in the abolishment of the Bothnian trade ban, deregulated fishing, parliamentary reforms in favour of the common estates and – above all – the introduction of the world's most liberal press freedom laws. It is on account of the 1766 Freedom of the Press Act that Swedes still have the unique, constitutionally protected right of access to information.

In tandem with his parliamentary work, Chydenius also wrote eight treatises between 1765 and 1766 – a decade before Adam Smith's *The Wealth of Nations* – in which he developed the theories behind the market economy. Chydenius wrote of a "levelling column of water", not unlike Smith's "invisible hand".

In 1778, Chydenius published a text lambasting the lack of rights enjoyed by the rural proletariat. He was offended by the abuse of serving folk and opposed the practices of fixed-rate wage-determination and random assignation among willing employers.

Chydenius also took an interest in the poor and oppressed of other countries. He deplored the "tyrannical dominion of The English and Dutch possessions in Batavia" (referring to the whole of Southeast Asia). About the Spanish rampages in Mexico, he wrote: *"Humanity bleeds when one sees Heathens under their own Kings grow in population and wealth only to be destroyed under a rule that bears the name of the precious teachings of Jesus."*

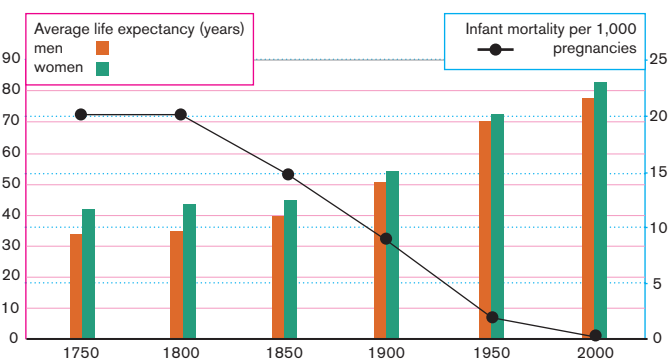
Anders Chydenius claimed that poverty is best remedied by guaranteeing all people the right to use their talents and assets in a way that best serves themselves and the nation. He rejected the prevailing privileges system and the notion that curbing economic freedoms would benefit the poor:

> *Is it not constraints on industry and movement that thwart growth amongst our labourers? Shackles, which no populous nation in the world wears, or can wear, without becoming as deficient in citizens as us. Is this not the same constraint that frustrates our blossoming, that smothers the lust for gain and that helps the one citizen to climb upon the shoulders of the other?*

The Swedish economic miracle

From the fall of the Swedish empire in 1719 to the loss of Finland in 1809, Sweden's per capita GDP shrunk by roughly a quarter. Despite a sharp demographic growth, per capita GDP then increased by over 40 per cent between 1810 and 1865, primarily from the middle of the 1840s. This was unprecedented for Sweden.

Over the following half-century, per capita GDP rose again by a factor of 2.4. The real wages of industrial labourers rose by an annual 2.7 per cent, compared with the one per cent or so in the UK, Germany and the USA. Economic growth was also reflected in the country's demographic:



Sweden was one of the poorest countries in Europe all the way into the end of the 1860s. Crop failures and famine from 1867 to 1869, first in the north and then in the south, prompted other European countries to arrange collections for the starving Swedish population.

The Swedish authorities, for their part, did too little, and what they did do was often done too late. The reasons for this are many: deficient infrastructure for the nationwide distribution of

produce, incompetent officialdom and the lack of democratic influence over the authorities. All this meant that much of the food that was nonetheless actually available, did not reach the people who so desperately needed it. To make matters worse, the government was somewhat reluctant to help, believing that aid to the poorest would only make them lazy and pampered. Eventually, help arrived in the shape of conditional loans. The result was much suffering and death, which also did lasting damage to the Swedish economy. It was after such deprivation that emigration to America picked up in earnest.

This was the last famine in Sweden during peacetime. Over the coming 50 years, Sweden would see rapid growth with extensive infrastructure improvements and the transformation of the private, public and civil society sectors. From 1870 to 1970, per capita GDP grew faster than in any other country in the world barring Japan. By the end of the period, Sweden was one of the world's wealthiest countries.

One important motivator of the Swedish economic miracle was the Liberal reforms implemented between 1840 and 1870 that unleashed a dynamism in Swedish society.

The radical societal transformation that Sweden underwent in the 19th century – and that prepared the grounds for the Swedish economic miracle – had five important drivers: the market economy, internationalisation, gender equality, education and democratisation.

The market economy

On 18 June 1864, King Karl XV signed the Trade Decree of 1864, the opening paragraph of which reads:

> *A Swedish man or woman is, with the exceptions and restrictions outlined hereunder and all other general terms and conditions therein, entitled to pursue a trade or industry, craft or other business in town or country, to export to a foreign place or import therefrom, and within Sweden, procure goods as well as arrange vessels for both coastal and foreign trade.*

With some simplification, one could say that all commercial activities prior to the 1840s, with the exception of agriculture and ancillary industries, were effectively forbidden unless the one pursuing the business had an explicit licence to do so. After 1864, all such activities were allowed for all adults provided they were not expressly prohibited.

But an effective market economy is not the same as an economy without government regulation. It takes a strong state, able to create and uphold solid and predictable rules that promote the freedoms to conduct business, of occupation and of trade; laws that define and protect proprietary rights, contracts and agreements; and rules for dealing with disputes and bankruptcies. More on this and on impartial administration below.

One of the main aims of the legislation is to promote free and open competition between economic actors, which the government can also facilitate by investing in infrastructures, like railway, road, power and telecom networks.

Since an entrepreneurial economy is based on "creative destruction", whereby new and better solutions out-compete old ones, there needs to be social safety nets that break the fall of people working in out-competed businesses and give them opportunities to transfer to others. Without such protection systems, resistance to changes that threaten existing structures

risk stymying societal improvements.

When a country transitions from a patriarchal system to a market economy, it must create new safety nets, such as social insurances, for whoever is temporarily or permanently unable to earn a living.

Internationalisation

The combination of improved communications and lowered political trade barriers led to expanding international trade. And this at a time of largely peaceful conditions in Europe from 1815 to 1914.

Over the three centuries from 1500 to 1800, global trade had been rising by about one per cent per year; after 1820, it had increased by a further 3.5 per cent per year. Over the 1800s as a whole, European trade multiplied by a factor of forty. As Liberal poet and professor of history Erik Gustaf Geijer wrote in 1837:

> *The canals, the steamboats, the railways, all this multifaceted industrial improvement engendered by global trade, all this peaceful community ere long encompassing all of the world's kin, is it only goods that they transfer? It seems to me, in the case of the exchange and production of ideas also, one saw here the next great epoch. What world of intelligence stirs here? In truth, it is of little avail to believe oneself able to stem the tide of time and life with closed eyes and antiquated expectations.*

During the 19th century, Gävle grew into one of Sweden's principal maritime towns, where successful merchants operated enormous trading houses. The leading businessman Per Murén was a member of the Riksdag, where he advocated for freedom of business. He was a fervent proponent of free trade and was instrumental in the establishment there of the only Swedish free trade association in 1846, inspired by the French economist Frédéric Bastiat.

In 1860 the UK and France signed the Cobden-Chevalier free-trade treaty, named after the British Liberal manufacturer and politician Richard Cobden, who had been agitating against British import duties on corn since 1838. What finally broke down the support for the tariffs was the Irish famine of 1845, primarily the result of a devastating potato blight. The following year, Conservative Prime Minister Sir Robert Peel, supported by

the Liberals, repealed the so-called Corn Laws.

Author Fredrika Bremer visited Britain and recorded her experiences of the free-trade reform in the Swedish newspaper Aftonbladet in 1852:

> *Free trade had borne fruit and under its banner, crafts and businesses had blossomed into new life, grain prices had fallen, and bread become affordable. With strong, vital growth, this tree of freedom planted by Cobden and Peel had penetrated the lives of the English people and wherever I went, I heard the sough of its leaves in the free wind. [---]*
>
> *This period was one of a general arising to a new, fresh life. In the manufacturing districts, in Liverpool, Manchester, Birmingham, everywhere I heard the same story: prosperity was widespread and rising. The wan face of need, which had seemed so terrible to me before, I no longer saw as I once did.*

Minister for Finance Johan August Gripenstedt led the negotiations that tied Sweden to this system in 1865, and a year later, after much fierce debate, made sure that the Riksdag approved the trade agreement. In his address to the Riksdag on free trade that year, he said:

> *All it takes is a hasty glance at all that we need, at everything we use every day, every moment, at all the efforts, all the transfers that have been necessary thus far, to convince us that millions of people have been busy and striving to furnish us these benefits. It makes one almost giddy to think through all these countless combinations that have thus arisen. And yet all this has come to pass, without violence, without oppression, without anyone suffering injustice. But how would such a thing have been possible if a grand, powerful and true principle had not been the force of agency, the guiding idea that had arranged it all?! And this grand principle, this fruit-bearing idea that alone has managed to produce all this is called: freedom – freedom of contract – freedom of action.*

Thanks to the growth in international trade, Swedes had access to more goods from foreign lands, and at lower prices. Successful export companies could also be founded, many of which, such as telecom company Ericsson and ball-bearing manufacturer SKF, are still operating to this day.

The important migrants

In 1860, Sweden abolished the compulsory travel pass system, whereby all travel in and out of the country, even within the country, required a pass. By the mid 1800s, the country was home to some few thousand immigrants. In 1900, 0.7 per cent of the population – nigh on 35,000 – had been born overseas. Despite being relatively low, immigration would have a major impact on Sweden's development, as many of those entering the country were prominent entrepreneurs.

The immigrants often brought new, specialist skills, as well as international contacts and knowledge of other countries' economic circumstances. People who uproot themselves from their homeland also tend, on average, to be endowed with more creativity and initiative than those who spend their lives in the place of their birth.

They also exert an influence on the local communities they arrive at. They transfer skills and mediate international relations with the host country citizens. It is also likely that immigrants galvanise creativity in the region in which they settle. The host country's citizens wake up to the fact that problems can be solved and lives lived in ways different to which they have been accustomed – and the immigrants can also be inspired by their new environment to explore new ideas.

For example, the 19th century saw an influx of enterprising mechanics from the UK, chemists from Germany, chefs from France, booksellers from Denmark and sawmill specialists from Norway. One illuminating example is Cloetta – now one of the leading chocolate manufacturers in Sweden. The company was founded in Malmö in 1873, with Swiss-born Nutin Cloetta as manager. In 1980, a Pole was in charge of the dragée division, an Englishman the drops division and a Spaniard the division for filled boiled sweets. The marzipan and foamed confectionary divisions were each presided over by a German, while a Russian introduced Russian marmalade and Russian bonbons. All these products were novelties in Sweden.

Other inspiration came via the mass exodus from Sweden to

the USA. Around 1.2 million Swedes emigrated to the States from a population of approximately five million. At least 200,000 of the emigrants returned. In addition were all those who had visited the USA and worked, studied or otherwise gained knowledge and ideas, which they put into practice here at home. And even the million or so Swedes who remained in the USA fed ideas back to their homeland in their letters or by other means. Hundreds of thousands direct and millions of indirect connections with what during this time was to become the world's most advanced economy naturally had a profound impact on Sweden.

Gender Equality

A raft of reforms was implemented from the middle of the 19th century in favour of women's liberation. Amongst other improvements, women were more entitled to pursue an education or a business and to control their economic assets. New professions emerged that were open to women.

Since women made up half the population, it is obvious that the equality reforms released a potent force for growth. Many women now opened commercial enterprises, boarding houses, schools, care establishments, photography studios and textile workshops. Many enterprising women were also actively involved in efforts to strengthen the status of women in society, such as the suffrage movement.

The reforms also went a long way towards modernising family life and child-rearing; the civilising effect on men of living in a society that treats women as full citizens should not be underestimated either.

Fredrika Bremer

The top name in the Swedish women's movement was author Fredrika Bremer, who debuted in 1828 with the first volume of *Sketches of Everyday Life* to instant success. In it, Bremer expounds upon one of her cardinal themes, namely the contrast between the lack of freedom afforded the confined girl and the possibilities open to the unconfined man.

In 1831, she became acquainted with the ideas of British utilitarianism, primarily through the writings of Liberal Jeremy Bentham. She was inspired by his optimism and reform zeal, and henceforth was a committed liberal. In 1856, she published her most important contribution to the struggle for equality: *Hertha, or A Soul's History*, Sweden's first novel of ideas. An appeal for women's right to higher education and for emancipation, *Hertha* sparked a debate throughout Swedish society, prompting the

Riksdag to declare in 1858 that unmarried women would reach their majority at the age of 25. Three years later, a higher female teachers' seminary was established in Stockholm.

Fredrika Bremer would become an international celebrity and her books were translated into many languages. In 1854, shaken by the Crimean War, she wrote an appeal to *The Times* calling for an international women's peace alliance.

Education

Thanks to the Church Law of 1686, which obliged vicars to ensure that every child in their parish learned to read, do simple arithmetic and write, the Swedes were probably the world's most literate people in the 1700s.

Following over half a century of debate, the first Elementary School Charter was issued on 18 June 1842, according to which there was to be at least one school for every parish, and in each school at least one trained teacher. Compulsory schooling was for six years, free and included both boys and girls.

It would be many years, however, before elementary school was available to all children, and even longer for the quality of the teaching to reach an acceptable level. The classrooms were frequently shabby and the level of hygiene poor. Many teachers were also inadequately trained.

There were, of course, ambitious and skilled elementary school teachers during the 19th century, but it would not be until some way into the 20th that Swedish elementary schools would contribute to a broader knowledge lift amongst Swedish children. Important initiatives for enhancing the quality of the schools and the status of the teachers were made by Liberal Minister for Education Fridtjuv Berg, who was himself a teacher.

Alongside the elementary schools were the state grammar schools, from which pupils could progress to university. However, until 1927 they only accepted boys. Liberals wanted to open these schools to girls, too, and reduce the dominance of Latin in their teaching. Gradually, Latin gave way to the study of modern languages and science subjects. Nonetheless, Latin remained obligatory for most university degrees until 1891.

Private education initiatives

The flaws in the elementary and grammar school systems and the fact that girls were barred from the latter motivated

the establishment of many private girls' and mixed schools in the 1800s. Many of these schools were run by women, who introduced new pedagogical ideas.

One of the most prominent reform pedagogues was Anna Whitlock, who also happened to be the first women elected onto the board of the Liberal party. The school she founded in 1878 was based on ideas that were quite radical for their time. It took a neutral stance on issues of religion – 90 years before the general school system was made non-confessional – and placed a greater emphasis on natural science, social studies and practical subjects like handicrafts and gymnastics. Both boys and girls received a schooling in domestic science, sewing and woodwork as well as a sex education.

Another important aspect of the 19th century knowledge lift was free adult education, towards which many liberals, along with the labour and temperance movements and the non-conformist churches, made significant contributions. Adult education comprised activities and institutions that were independent of the formal education system.

Common to all the different branches of adult education, four of the main being the lecture associations, folk high schools, adult education associations and public libraries, has always been a format largely based on independent activities and a non-authoritarian relationship between leaders and participants. Free adult education stands for openness and respect for all, regardless of sex, age, religion, ethnicity and socioeconomic background.

Democratisation

It is easier to combat poverty in democracies than it is in dictatorships. In democracies, the poor also have a voice and those in power have a responsibility towards all citizens.

A democracy rests on two pillars: political freedom and equal suffrage. Even though certain restrictions on political freedom persisted, people in 19th century Sweden had relatively good opportunities to work for their ideas. However, despite intense efforts to this end, it took a long time for universal and equal voting rights to be introduced. Equal suffrage for men in Riksdag elections (to the Lower Chamber) was not implemented until 1911, while the first election in which women could vote and stand for parliament had to wait another decade.

There are, regrettably, many examples – even from our own time – of a constitution based on freedom and the right to vote being established in a former dictatorship or colony only to be promptly dismantled. There is, to wit, a fundamental condition underpinning a stable democracy, and that is competent and decent public servants.

In the early 19th century, Swedish state administration left a great deal to be desired, and it was not uncommon for officials to hold and mismanage positions in several departments at the same time. One reason for this was that salaries were often too low for people to earn a steady living. Also, many positions were associated with perquisites (sportler), namely the right to charge fees for services performed for individual persons, and this led to widespread corruption.

The university training of government officials was poor. Good contacts with the royal court were more important to obtaining a position in public service than formal qualifications and the nobility had long had a fast track into government.

In the 1800s, a new view of officialdom emerged here and there

in Europe, the greatest proponent of bureaucratic efficiency being the German sociologist Max Weber, who was active around the turn of the 1900s. His aim was to abolish the arbitrariness and self-interest that distinguished many bureaucracies and to have both private and public businesses managed professionally in accordance with well-developed administrative routines. Bureaucracy was to be characterised by precision, swiftness, clarity, impartiality and predictability.

One feature of the 1809 Swedish Instrument of Government, which went a long way towards promoting decency and impartiality in public administration was the establishment of a parliamentary ombudsman whose job it was to protect the citizens from malfeasance. Many countries would follow suit, and today the word "ombudsman" exists in numerous languages. Between 1840 and 1880, a raft of reforms were subsequently implemented that promoted the growth of a competent, impartial and upright official class. This helped to shape the democracy to come, not least by creating an election administration that is independent of the executive powers.

The important popular movements

Until the mid-19th century, Sweden was a society of estates and guilds, in which the rights and duties of the individual were defined by the social group to which they belonged, which in turn was defined by the powers temporal or spiritual.

One important driver of the democratic process was the independent organisations that emerged during the 1800s to solve people's problems, be they financial, social or otherwise. The most important of these bodies were the great public movements – the revivalist, temperance and, later, labour movements. The first of these was the Baptist movement, which reached Sweden in 1848.

Authors Fredrika Bremer and Erik Gustaf Geijer belonged to the liberals whose interest in the USA was aroused through Frenchman

Alexis de Tocqueville's *Democracy in America*, which was published in the 1830s and promptly translated into Swedish. In it, Tocqueville describes how a new social form emerged in

America based on democracy, personal liberty and volunteer communities.

Many of those who were active in the popular movements were organised liberals. The movements became a civic school for many of the politically active individuals who would carry through political democracy and staff its institutions. After the first parliamentary election with general voting rights for men in 1911, almost two thirds of the Lower Chamber's members were teetotallers and a quarter church-going non-conformists.

The social reforms

In the 1800s, many Swedes lived and worked under wretched conditions. Homes were often cramped, dark and unhygienic. The working day was long – 12 to 14 hours – and a six-day working week was nothing unusual. Workplaces were often dirty, noisy and dangerous, and disease, injury and exhaustion were rife.

Some welfare reforms were carried out in the middle of the century but they did not go particularly far. Come the industrial revolution in the latter half of the 1800s, it was obvious that new welfare solutions were called for. The modern Swedish sociopolitical debate started with Liberal Adolf Hedin's Riksdag motion of 1884 on occupational safety and pensions and accident insurance for workers. The motion also marked the start of social liberalism in Sweden, a school of thought inspired by British philosopher and politician John Stuart Mill.

Social liberalism distinguishes itself from classic liberalism in its view of state intervention, particularly on social and labour market policy. But the difference must not be overstated. Classic liberalism also had its social contract. It was more the changing lifeways at the end of the 19th century that elicited a new policy. The abolition of the guild and privilege-based society, industrialisation and urbanisation brought forth new problems that the Liberals had to find ways of overcoming.

Hedin's Riksdag motion was far-reaching. He described the social insurance situation, now a highly topical issue, in other countries; in Germany, for instance, Otto von Bismarck had pushed through obligatory social insurances for workers, but for a cause that Hedin rejected – the opposition of socialism. There was a more pressing argument for social reforms than that, namely justice.

The motion's demand for an investigation into these issues was heeded by the Riksdag, but it took longer for Hedin's ideas to be realised than he had hoped. Gradually, however, his programme

was implemented. The first occupational safety act for adults came into force in 1889, government subsidies of health insurance funds in 1891, state pensions in 1913 (under Karl Staaff's Liberal government) and occupational accident insurance in 1918 (under the liberal prime minister Nils Edén's government). These were reforms that were backed up by the Social Democrats, who were long the most important partner for the Liberals on these matters.

The pension reform of 1913 was the first in the world that encompassed effectively the entire population; German social insurances, for instance, only covered workers. Swedish social policy would henceforth continue to build upon general principles.

Up until the 1930s, it was the Liberals who, picking up the baton from Adolf Hedin, dominated the sociopolitical discourse through commissions, journals, associations, education and parliamentary work.

The National Association of Social Work

Founded in 1903, the National Association of Social Work (CSA) was an important philanthropic actor, and for three decades the country's most prominent sociopolitical force. Its first chairman, Ernst Beckman, also chaired the Liberal Party.

For many years, the work of the CSA would be dominated by Liberal G.H. von Koch, who from 1905 was involved in its poor relief committee. He also devoted time to the issues of housing and home-ownership, unemployment, alcohol, social insurance and much else besides. He was an active educator and organisational founder in the social field and in 1919 became a government official, Sweden's first inspector for poor relief and child welfare.

Another Liberal, Emilia Broomé, was head of the CSA, in which capacity she conducted countless investigations into social issues, and was involved in the new lecture series and legal aid office that the CSA started. She helped with the organisation of municipal labour exchanges, youth clubs, allotments, school kitchens, crèches and cooperative companies

Liberal Kerstin Hesselgren was a sociopolitical pioneer and

in 1921 one of the first women to be elected into parliament. She was Sweden's first female housing inspector, school kitchen inspector and labour inspector, positions that often exposed her to social depravation and injustice. When entering the Riksdag, she was one of Sweden's foremost experts on the social and health aspects of working life.

Hesselgren was also deeply engaged in different occupational associations and international organisations, including between 1919 and 1946 the ILO. As a delegate to the League of Nations in 1936, she caused something of an uproar when she criticised Italy's attack on Ethiopia.

The forgotten Sweden

It would not be until the 1950s that Sweden had a system of moderately comprehensive social insurances. But even back in the 1930s, Swedish liberals were saying that an ambitious, general social policy was not enough. There were always groups that risked lagging behind prosperity growth and that required special political attention.

Economist and future Liberal Party leader and Nobel laurate in economics Bertil Ohlin was chairman of Liberal Youth of Sweden in the 1930s, and in a speech in 1937 coined the term "the forgotten Sweden" in reference to the people who were worse off than the industrial labourers and who were often overlooked in reform efforts – the smallholders, the lumberjacks and log drivers, domestic servants and housewives. The following year, Ohlin said:

> *The party intends to pay especial attention to the plight and problems of the poor, the invisible and the non-organised. Not to be these groups' "class party", but because it is only thus that our nation will be a society of justice and a true home for all our people. We cannot tolerate a class of excluded who look on from afar while others reserve all the gilded fruits of future progress for themselves.*

The term "the forgotten Sweden" has since been employed by modern liberals, and while the groups that qualify as forgotten have changed over the decades, the aim has always been the same: to pay particular attention to "the plight and problems

of the poor, invisible and non-organised". Examples of groups that currently belong to "the forgotten Sweden" are people with physical disabilities or mental illnesses.

In 1994, the Liberal Party leader and Minister for Social Affairs Bengt Westerberg carried through a sweeping reform that gave more rights to people with disabilities, such as personal assistance, companion services, relief services and special service homes. The same year, Minister for Health Care and Social Security Bo Könberg was able to implement a psychiatry reform that made vital improvements to the wellbeing of the mentally ill.

However, Könberg's most important contribution was a major pension reform that he pushed through in 1994, bringing lasting sustainability to the Swedish pension system. The content of the reform attracted considerable international attention and has since influenced pension reforms in many other countries.

The Liberal member of the Riksdag Barbro Westerholm was a vociferous advocate of stronger rights of many underprivileged and discriminated groups, including LGBT people and people with rare medical conditions.

All these reforms

Here are some key reforms in the liberal campaign against poverty in Sweden.

1765 Northern Swedish towns gain the right to engage in overseas trade.

1766 Liberal press freedom laws – includes a principle of public access.

1782 Immigration of Jews allowed.

1809 New constitution based on power-sharing. Parliamentary ombudsman established.

1810 Domestic tariffs abolished for goods entering the towns and cities. A partial deregulation of the guild system, which increases the right of unmarried women to run certain types of business.

1815 Some produce trade allowed in rural areas.

1827 Land reforms (laga skifte) that result in a sharp rise in areas of cultivated land.

1838 Most restrictions on the right of Jews to run businesses lifted.

1842 Elementary schooling introduced for girls and boys.

1845 Equal inheritance rights for women and men. The last privileges for the nobility entitling them to higher offices abolished.

1846 The guild system abolished and the conditions for urban and rural crafts equalised, making it easier for women to run businesses. Trade is permitted in rural areas, although at least thirty kilometres from the nearest town.

1847 Parishes and towns made responsible for poor relief.

1848 First limited company legislation, making it possible for new companies to be formed for which the owners take a limited personal liability. Small private savers can now also invest in shares, which benefits business capitalisation.

1849 Secondary school reform that curbs the power of the church over teaching and ahead of the introduction of science education.

1852 Night work for minors abolished.

1854 Decision that the government shall invest in the railway network. More export and import prohibitions are lifted and almost 200 tariffs reduced. The Royal Swedish Academy of Music starts singing classes as the country's first higher education programme for women. The country's first children's hospital.

1858 Unmarried women can apply to be considered to have reached their majority.

1859 Certain lower-grade public services are opened for women. Women can be elementary school teachers and teachers in certain practical subjects in grammar schools.

1860 Unrestricted emigration and immigration from and to the country. Seminars are opened for the training of female elementary school teachers. Law allowing home distilling abolished.

1861 The higher female teachers' seminary established in Stockholm as the country's first tertiary theoretical education for women. Sweden's first specialist hospital for the mentally ill.

1862 Municipal laws that improve municipal autonomy. County councils with responsibility for healthcare and some education established.

1864 Freedom of trade.

1865 Sweden joins the European free trade system.

1866 The Riksdag of the Estates is replaced by a bicameral parliament.

1868 The system of direct payments from citizens to individual government officials for certain services abolished.

1870 Women have the right to take degrees as privately taught candidates and to study medicine. Jews and other citizens who are not members of the Church of Sweden are entitled to enter public service and to be elected into the Riksdag.

1873 Women are entitled to take most forms of academic degree. Sweden and Denmark introduce the gold standard through the Scandinavian Monetary Union, with the krona as the unit of currency, thereby making the countries part of a stable international monetary system. Norway joins the Monetary Union in 1875.

1874 Women can enter premarital settlements to give them the right to manage their own property and earnings.

1881 Further restrictions on child labour.

1884 Unmarried women are recognised as having reached their maturity at the age of 21. Married women can enter premarital settlements allowing them to manage their inheritance.

1889 The first occupational safety act for adults. Women can stand for election to certain municipal posts in poor relief and education.

1890 Occupational inspections and greater protection for working minors and women.

1891 Government subsidies for health insurance funds.

1902 Child Welfare Act.

1905 Government subsidies for public libraries.

1906 Act on Mediation in Labour Disputes. Government subsidies for labour exchanges.

1912 Labour safety reform. Government subsidies for school libraries, municipal libraires and those of the major associations.

1913 State pensions introduced.

1917 The definitive breakthrough of parliamentarism.

1918 Occupational accident insurance. Poor relief reform that prohibits the auctioning off of children and the poor to the lowest bidder and obliging the municipalities to build homes for the elderly.

1919 The first municipal elections with universal and equal votes for women and men. The eight-hour working day. Women are entitled to occupy more senior positions at state-run grammar schools and seminaries.

1921 Women gain the right to vote in general elections and to stand for parliament. Married women are recognised to have reached their majority.

1924 New Child Welfare Act.

1925 A large number of government offices are opened to women.

1927 Grammar school reform opens public grammar schools to girls. Government subsidies for nursing homes for the chronically sick.

1928 Collective Bargaining Agreements Act and labour tribunals.

1929 Occupational accident insurance that also includes industrial diseases.

1931 Government subsidies for maternity aid (a form of parental insurance).

1935 Government subsidies for unemployment insurances.

1937 Means-tested child allowance. Voting rights for prisoners with stricter sentences.

1938 A rule change forbidding the dismissal of women on grounds of pregnancy, childbirth or marriage. More liberal abortion and contraceptive laws.

1944 Government subsidies for municipalities to employ female home helpers. Homosexuality decriminalised.

1945 All government offices are opened to women with the exception of Church of Sweden clergy and the military. People who qualify for poor relief and who are bankrupt gain the right to vote.

1948 Universal child benefit. Improved state pension.

1949 Liberal press freedom law. Married women also allowed to be recognised as guardians of their children.

1951 The county councils are obliged to establish institutions for the chronically sick.

1954 Occupational injury insurance. Common Nordic market.

1955 Public health insurance.

1960 General earning-related pension. Sweden joins EFTA.

1962 Sweden signs the ILO Equal Remuneration Convention on equal pay for men and women for work of equal value. Night work prohibition for women abolished.

1964 Government subsidies for municipal home help.

1971 Joint taxation of spouses abolished, which makes it more profitable for women to be gainfully employed.

1973 Free trade agreement with the EC.

1974 Parental insurance. More liberal abortion law.

1976	Improved occupational injury insurance.
1979	The Gender Equality Act and the Equal Opportunities Ombudsman. Homosexuality is removed from the National Board of Health and Welfare's classification of illnesses.
1980	Strengthened protection for civil freedoms and rights.
1982	Social Services Act creates modern and coherent social legislation.
1983	The last exclusion from public service offices for women (in the armed forces) lifted.
1987	Discrimination of homosexuals prohibited.
1989	Ability to declare a person incapacitated abolished, removing the last legal impediment to the voting rights of adult Swedish citizens.
1991	Fundamental Law on Freedom of Expression.
1993	Child ombudsman established to look after the rights and interests of children and young people as enshrined in the UN Conventions of the Rights of the Child.
1992	Free school choice and the school voucher system.
1994	Disability reform. Pension reform.
1995	Sweden joins the EU. Paternal month (parental leave incentive for fathers) introduced. Registered partnerships.
1999	Discrimination at work on grounds of sexual preference prohibited.
2008	New anti-discrimination legislation and establishment of Equality Ombudsman.
2018	Sexual consent law that criminalises non-consensual sex.

Questions for discussion

1. The famine of the 1860s was the cause of much suffering and death, which did lasting damage to the Swedish economy. Why? Can we think of more examples, past or present, where interventions to help eradicate poverty would ultimately have been/be profitable?

2. For a market economy to generate growth, individuals and companies need the courage, will, ability and circumstances to be productive in a way that benefits themselves and others. What do you see as a hindrance to the will and ability today?

3. History shows that free trade promotes substantial growth for many people. However, politicians can today win important elections with slogans like "American first" or by taking the UK out of the EU. Why is free trade often called into question, despite its successes?

4. What products or services do you use that were introduced by immigrants during your lifetime?

5. What percentage of women are on the labour market today? Social services, such as preschools and childminders, have stimulated female entrepreneurship and improved women's ability to act on the labour market. The daytime care of children is tax-subsidised, but how much should it be subsidised to be effective?

6. The labour force is a vital resource for any society. To what extent should investments in it be financed by public money or, alternatively, made by individuals in the interests of their own futures?

7. For many years in succession, surveys show that the tax office is the authority that enjoys the highest level of public trust in Sweden. What are the most important factors in increasing the tax-willingness of a country's citizenry?

8. How can a political party work together with interest organisations and pressure groups?
9. Social work is about more than simply justice and bringing relief; it also leverages welfare. What forgotten or neglected groups are there in your country? Is there any group to which conservatives and socialists both turn a blind eye and whose productivity is hampered by a lack of rights? What initiatives would free up this potential?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