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From Fika to Fake News

What's Left of the Swedish Model?

Recent popular writing about Scandinavia in English has tended to hype up the positive aspects of these societies – Sweden and Denmark in particular – building on decades-old notions about the Nordics. This superficial image has made it easier for Donald Trump and his followers to attack the Swedish model, arguing that liberalism, social democracy and multiculturalism have led to social crisis. In this article we briefly review the Scandi publishing phenomenon and argue that, in order to respond effectively to fake news about Sweden, we need a clearer understanding of what the Swedish model means today.

Long before February 19, 2017, Sweden had a fake news problem. On that Saturday afternoon in Florida, Donald Trump implored his followers: “Look at what’s happening last night in Sweden! Sweden – who would believe this?” Speaking to a crowd inside an aircraft hangar, the US president exploited a persistent image of Swedish exceptionalism, as an oasis of placid and carefree prosperity – now, the president implied, brought low by immigration. Something awful had happened, he said. It hadn’t. But overnight, Sweden became a central focus for the international Alt Right, eager to find evidence, fake or otherwise, that liberalism, social democracy and multiculturalism were leading to a social collapse.¹

It is easier to attack a stereotype than the concrete, nuanced detail of a country’s development. The Alt Right narrative about Sweden has been all the more effective because of the dramatic contrast it presents with previous clichés about the country. If you believe that something is wonderful, how much more shocking it is to be told that the truth is very different.

The person most responsible for popularising the notion that Sweden is distinct from other countries was the North American journalist Marquis Childs. Childs came to Sweden in 1933 as a young man and wrote a number of books about the country, the best known of which was *Sweden: The Middle Way* (1936). He arrived in the country via Nazi Germany. To the east, Stalin’s forced collectivisation had generated mass starvation, while at home the US was in the depths of the Great Depression; the horrors of World War II were already visible on the horizon. So Child’s notion of a middle way between capitalism and socialism, “a spectacle of sanity and stability that other nations may study with profit”, found a ready audience.

Childs’ book was hugely successful. It created a resilient image that has since mingled with more popular notions of Sweden as blonde and blissful, a land of socialism and sexual freedom where they did things differently. During the Cold War, the idea that that society could be organised along alternative lines was usually associated with Russia. But after the Soviet monolith collapsed, the gap was partially filled with flimsy stereotypes about Sweden. The endurance of this quasi-religious faith in Scandinavia is remarkable.

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It has survived the turbulent 1970s and 80s, when Childs himself felt obliged to point out that the middle way was faltering,² and the full-blown financial crisis of the early 1990s, which seemed to echo in some way the events sweeping Eastern Europe at the time. Rudolf Meidner, a left-wing economist and one of the architects of Sweden's post-war economy, surveyed the wreckage, asking: "Why did the Swedish model fail?"³

The inquisitive traveller browsing in an airport bookshop, or the general reader searching Amazon for books on Scandinavia today, will be struck by the way in which recent popular writing about his part of the world is framed by the enduring image of the Nordics as a soft-focus paradise of welfare and well-being. David Christie's 2016 novel *Sweden* captures how this yearning after a better world is often connected to Scandinavia. The hero, who has ditched his principles for Thatcherism, is tempted to become a "seeker of Sweden", pursuing a vaguely distant, dreamlike utopia instead of the fast money he has come to worship. The focus of literature written for a popular audience tends to be on Sweden and Denmark – Norway's riches are too clearly connected to oil, while Iceland has been ravaged by its banks and Finland dragged down by the eurozone crisis. But the two remaining Nordic countries still provide plenty of fodder for Scandi dreamers.

Preparing the ground for fake news

"There was a point in early 2012 when it felt like you couldn't open a British newspaper or magazine without reading something about Denmark," wrote the award-winning Guardian journalist Patrick Kingsley. "Scandi fever – or perhaps more accurately, Danish delirium – gripped the UK." Kingsley spent a month (!) in the country and wrote a book about it – *How to be Danish: A Journey to the Cultural Heart of Denmark* (2012). The Danes were the happiest people in the world, Kingsley noted. They produced cult TV dramas, they had trendy cuisine, they wore nice jumpers, they

were pioneers on the environment and human rights, they elected women leaders and rode bicycles to work – observations that could just as well be applied to Sweden. Helen Russell, another journalist catering to the tastes of left-liberal Guardian readers, went one better than Kingsley by moving to Denmark for a year and writing *The Year of Living Danishly: Uncovering the Secrets of the World's Happiest Country* (2016). She wrote: "Living Danishly has given me a glimpse of a more meaningful way of being. An understanding of how life should be, or at least, how it could be. And I like it."⁴

But the wave of "Scandi fever" was only just getting started. Meik Wiking is head of the Happiness Research Institute in Copenhagen and author of a bestseller *The Little Book of Hygge: The Danish Way to Live Well* (2016). Hygge, which Wiking translates as "the pursuit of everyday pleasures", became a publishing sensation. To paraphrase Kingsley, there was a point in 2017 when it felt like you couldn't open a newspaper or magazine without reading something about hygge. As Wiking put it, journalists were touring Denmark searching for hygge, colleges were teaching about hygge, and hygge shops, bakeries and cafes were springing up all over the place. Wiking's book has so far been published in 31 countries. As if one unpronounceable Scandi word was not enough, Wiking followed this up with *The Little Book of Lykke: The Danish Search for the World's Happiest People* (2018).

The Swedes soon got in on this publishing phenomenon. *Lagom: The Swedish Art of Balanced Living* (2017), by Linnea Dunne, kicked open the door to an avalanche of books on lagom, "the new Scandi lifestyle trend taking the world by storm". Inevitably, we now have *The Little Book of Fika: The Uplifting Daily Ritual of the Swedish Coffee Break*, by Lynda Balslev (2018). An unexpected hit in the same vein is Margareta Magnusson's *The Gentle Art of Swedish Death Cleaning: How to Free Yourself and Your Family from a Lifetime of Clutter* (2017), which again has spawned several copy-cat books.

This Scandi hype has created a fertile ground in which fake news can grow – but

news very different from that spread by Donald Trump. In September 2015, to give just one example, the Guardian published a modest feature about some small-scale Swedish experiments in a six-hour working day.⁵ The story was quickly picked up by other media and distorted to fit the stereotype – according to these reports, a revolution in Swedish working practices was sweeping the country. Scottish columnist Robert McNeil encapsulated the hunger that exists for stories like this that confirm positive stereotypes about Sweden:

“What have these wacky Scandinavians been up to now? I will tell you what: experimenting with a six-hour working day, that’s what. A typical Britisher will think: ‘Six-hour working day? That’s immoral. First, it was pornography. Now this. The Scandinavians need reining in.’ ... We cannot believe everything they do in Scandinavia is good and everything we do is bad, despite all the evidence. But it’s nice to have a beacon of hope, however illusory. And the thought that somebody somewhere is trying to organise society on sane lines gives us courage to carry on in Barmy Britannia.”⁶

The fake news version of this story went viral almost exactly a year after the original Guardian article, when a Facebook video meme declared: “Sweden is officially moving to a six-hour working day.” That video has been viewed 43 million times.⁷

The hype has created space for other writers to point out that things are not what they might seem. The best-known example is by another British journalist, Michael, Booth. His 2014 book *The Almost Nearly Perfect People – The Truth About the Nordic Miracle*, leaped to the top of the non-fiction bestseller charts. “The whole world wants to know the secret of Nordic exceptionalism,” he wrote from his home in Denmark. “[But] once you begin to look more closely at the Nordic societies and their people, beyond the Western media’s current Scandinavian tropes ... a more complex, often darker, occasionally quite troubling picture begins to emerge.” Booth’s book is a eclectic assemblage of anecdotes and factoids, some which seem to have been garnered from

dinner party conversations rather than serious research. But he was kicking at an open goal – picking holes in Scandi fever was as easy as taking candy from a baby.

Other writers are now turning their attention to the obvious gap between fantasy and reality. Kajsa Norman’s *Sweden’s Dark Soul: The Unravelling of a Utopia*, due out in late 2018, promises to “shine a light into the hidden darkness lurking at the edges of Swedish society and the oppressive groupthink that threatens to eclipse its enduring brightness”. Away from these mainstream publications, the Alt Right is lining up some far more sensationalist books attacking Sweden. To understand the ferocity of the Alt Right onslaught, which uses a dark image of Sweden in its global culture war, Paul Rapacioli’s *Good Sweden, Bad Sweden: The Use and Abuse of Swedish Values in a Post-Truth World* (2018) is essential. Sweden has been complacent about its reputation, Rapacioli argues, offering his book as a wake-up call to those Swedes who believe there is still something worth defending.

What’s left of the Swedish model?

If books on Scandinavian life have tended to trivialise these societies, making them vulnerable to critique, what about the economy? It is the economy, after all, is what generates the prosperity underpinning notions of *hygge*, *lykke* and *lagom*. But here again, recent books fall into partisan camps – everything is either wonderful, or it’s all going to hell in a handcart.

In *Viking Economics: How The Scandinavians Got It Right – And How We Can Too* (2016), George Lakey cherry-picks facts and observations about the Nordics and tries to stitch them together into a narrative that ticks a lot of boxes for left-leaning Democrats in the USA. At the same time, however, he crowbars some diverse economic history into a superficial picture of the Nordics as bastions of historical progress achieved through “grassroots, non-violent revolution”. From the libertarian right, Nima Sanandaj’s *Debunking Utopia: Exposing the Myth of Nordic Socialism* (2016)

could almost be a direct rejoinder to Lakey, scoring easy points against what he calls “the Nordic Shangri-La”, that rose-tinted view of Scandinavia so prevalent on the left.

Amid the hype and polarisation, it is easy to fall into one of two errors: to defend a romanticised version of Sweden, in a knee-jerk reaction to the Alt Right’s fake news; or to reject any notion of Swedish exceptionalism, thereby throwing out the baby of the Swedish model together with the bathwater of romanticised versions of it. On the contrary, an effective response to fake news requires a clear conception of what makes Sweden different, and why. In 2017-18, I interviewed more than 70 leading figures in Swedish business and the trade unions.⁸ From these wide-ranging interviews, a picture emerged of the economy that may help to anchor discussions about the Swedish model and the challenges it faces today. The findings can be summarised as follows:

1. The role of trade unions is widely respected.

The trade unions in Sweden remain broadly attractive to large numbers of the population, regardless of their profession. TCO, the white-collar union federation, has gained a remarkable 400,000 new members in the past 10 years – an increase of 40 per cent, and evidence that unions can be essential to a modern workforce, even during the good times. The Swedish unions’ approach is to look after their members, rather than particular jobs, so they largely embrace the logic of free-market globalisation and the frequent economic upheaval it entails. Most employers say they actively want to negotiate with the trade unions – they are not forced to do so.⁹

2. A unique labour market. Swedish businesses pay a portion of their turnover into a unique system of “job security agencies” – *trygghetsfonder* – which help workers who are made redundant. This largely hidden welfare system lubricates the economy by taking the sting out of job losses, helping Swedish industry to restructure rapidly and relatively freely. These

agencies emerged out of centralised wage bargaining between unions and employers, the aim of which was to force Swedish industry to remain internationally competitive through constantly innovating and restructuring.¹⁰ This framework collapsed in the 1980s, and many believed this was the end of the Swedish model. But unions and employers managed to stick the system back together again, culminating in the 1997 *Industriavtalet*.

3. There is “active ownership” of companies.

Swedish capitalists have an unusual relationship with their companies. The bulk of the economy is controlled by large investment organisations with a track record of owning and managing companies for decades, so a long-term philosophy is hard-wired into their thinking. This is further encouraged by an unusual system of “dual class” share ownership, also known as A and B shares, which gives shareholders a bigger stake in the company if they commit for the longer term. This is the Swedish model of “active ownership”, where shareholders are expected to exercise their power over the long term, rather than just looking to bail out if they think management is likely to damage the share price. This approach is also associated with a sense of wider responsibility for society.

4. Generous family policies are integral to the economy.

The Swedish system of generous parental leave and subsidised childcare is no panacea, but it is outstanding compared to most other industrialised nations, and it is in the family sphere that the traditional, state-run Swedish welfare system is strongest today. The system has its political roots in a leftist government of the 1970s, but both liberal and conservative governments have pushed for its expansion. The system originated in a shortage of workers and the need for women to fill the gap, but today a political commitment to gender equality has become an integral aspect of the Swedish model. Business attitudes to lengthy parental leave tend to mirror the long-term outlook noted above.

Conclusion: the new Swedish model

It is no longer true that the Swedish model is a creature of the left – mainstream right-wing opinion also claims the model for its own. Since the economic crisis of the early 1990s, Sweden has been ruled by centre-left and centre-right coalitions for almost equal periods, with strong elements of continuity between governments. The problems that beset Sweden's economy in the 1980s were a watershed, after which the country modified important aspects of its model. The essence of this “new” Swedish model is a balance between fostering capitalism and taking responsibility for people who struggle to fit into it. In the words of Anders Borg, former finance minister:

“Fundamentally the Swedish model is a very pragmatic, down to earth way of dealing with the tension between social cohesion and growth ... a very modern

way of solving the eternal conflict between equality and expansion, cohesion versus dynamism – the Swedish model is potentially one very efficient answer.”¹¹

With a clearer understanding of the features that make Sweden different from other economies, it is easier to see that the country is not the socialist utopia that the Alt Right loves to hate. At the same time, the economy has been remarkably successful, despite features that make it distinct from the Anglo-Saxon model of capitalism prevalent in the United States. The model faces many challenges, not least that of immigration. But its distinctive features also offer tools and structures that can shape a response to those issues. There are aspects of the Swedish approach to the economy that appear to be rationally worth defending – without needing to romanticise the country or play down the problems that it needs to resolve.

Notes

1. See Rapacioli (2018).
2. Childs (1980).
3. Meidner (1993, 211–228).
4. To someone with even a passing knowledge of what has happened to Danish politics since Russell's book was published, it is hard to read that phrase without raising an eyebrow.
5. I know, because I wrote this article; see Crouch (2015).
6. McNeil (2015).
7. Enjoy Science (2016).
8. Crouch (2018).
9. See also the opinion survey among Swedish CEOs, AER (2018).
10. Lars Walter at Gothenburg University is one of the few academics to have paid attention to the trygghetsfonder, see Walter (2015).
11. See Crouch (2018, 166).

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