

SWEDEN

After the Fall

Nowhere in the world has the dream of reason been pursued quite so vigorously as in the Kingdom of Sweden. Under Social Democratic leadership, this Scandinavian country became famous around the world for its humane “Middle Way.” Swedes believed that their distinctive “Swedish model,” with its massive welfare state, its near-full employment, and its lofty egalitarianism, provided at least a glimpse of what a rationally constructed utopia might be. In recent years, however, the Swedish model has developed serious problems, and Swedes have begun to ponder some profoundly unsettling questions—questions about who they are and where they are headed. Our author takes us to post-utopian Sweden.

by Gordon F. Sander

Never say that Swedes have no religion. That is a myth. They do indeed—although it is not Lutheranism, which is no longer even the established religion, since church and state were finally separated this year after four centuries of official union. Moreover, although 87 percent of Swedes nominally belong to the Lutheran Evangelical Church, attendance at services has long been pitifully low. Not so with Sweden’s true religion, the one in which virtually all Swedes participate. That religion is devoted to the worship of *sommar*.

Sommar: that sweet, intense, yet poignantly short season from mid-June through mid-August when seemingly all nine million Swedes close up shop and head upcountry, or to one of the myriad islands or archipelagos surrounding this narrow landmass on the Baltic Sea, to savor the long blue days and brief “white nights” at their rustic vacation cottages.





The Dance of Death scene in Ingmar Bergman's The Seventh Seal (1959).

And woe betide any Swede, particularly a public official, who dares question the sanctity of summer. A hapless foreign ministry officer learned that lesson the hard way last July when, in a letter to the leading Stockholm daily, *Dagens Nyheter*, he ventured the opinion that perhaps, from the point of view of attracting foreign investment, it might be wise if Swedes didn't take their legally mandated five-and-a-half-week vacations during summer—or, at least, didn't *all* take them then. The heretic was promptly met by a storm of criticism. (A foreign ministry press officer, discussing the troublemaker the next day, drew her finger across her throat to indicate his all-but-certain fate.)

If those who question the worship of summer are thus cast down, so especially devout worshipers are held aloft as shining examples. Thus, many Swedes hailed Göran Persson, minister of finance in the Social Democratic government, when he resisted all entreaties from his foreign counterparts and refused to interrupt his summer vacation to attend a

meeting of European Union finance ministers in Brussels. Here was a man who saw clearly where his sacred obligation lay.

Any reader who doubts that summer is the true Swedish religion should book passage on one of the restored steamboats of the old Göta Canal Steamship Company, which cross the



lush, viridian girth of the country by way of that great public work of the early 19th century. The canal, which long ago outlived its original freight-carrying purpose, links up a picturesque 500-mile ribbon of lakes and locks, stretching from Stockholm in the east to Gothenburg (Göteborg) in the west.

Better yet: take the boat that departs Stockholm at the end of the third week of June, and witness Midsummer's Eve (which falls anywhere from June 19 to 25), the absolute apogee of the Swedish year. Note the fervor with which the crew leads the ship in song on the designated day of celebration. Observe the intensity with which the young maidens (and they do look like maidens) who live by the canal search the adjoining fields and pastures for flowers for their midsummer crowns. And then at night, after your galley has docked at Motala—a fairly typical example of the sleepy small towns and cities in which more than half of the Swedish population still resides—go ashore and watch the restless youth of that Nordic Peoria stage their desultory, drunken annual riot. There is something pagan about the whole ritual—and poignant, too—as this pent-up Nordic society attempts, in one frenzied day, to rid itself of its doubts, anxieties, and demons.

Perhaps the exorcism worked in more halcyon days. Last summer, however—when I was in Sweden, on my fourth visit since 1990—there were too many doubts and demons for Swedes to drive out in a single day.

There was, for one, the still-rattling ghost of the *Estonia*, the huge, half-Swedish-owned ferry that in September 1994 sank in 15 horrible minutes in the Baltic Sea, after its cargo door came loose in heavy seas, taking close to 1,000 people to their deaths, including more than 600 Swedes—the largest number of Swedes to die from an unnatural cause in a single day since the Napoleonic Wars.

Then, in January 1995, came the “Stureplan massacre,” so named after the Stockholm square where the senseless crime took place. Denied entry to the popular discotheque Sture Companiet, a young Swedish delinquent decided to take revenge by returning with an assault rifle and opening fire on the crowd inside the disco's barred, glass doors. Four people were killed and some 20 injured.

That outrage stirred memories of a similar mass shooting that had dark-

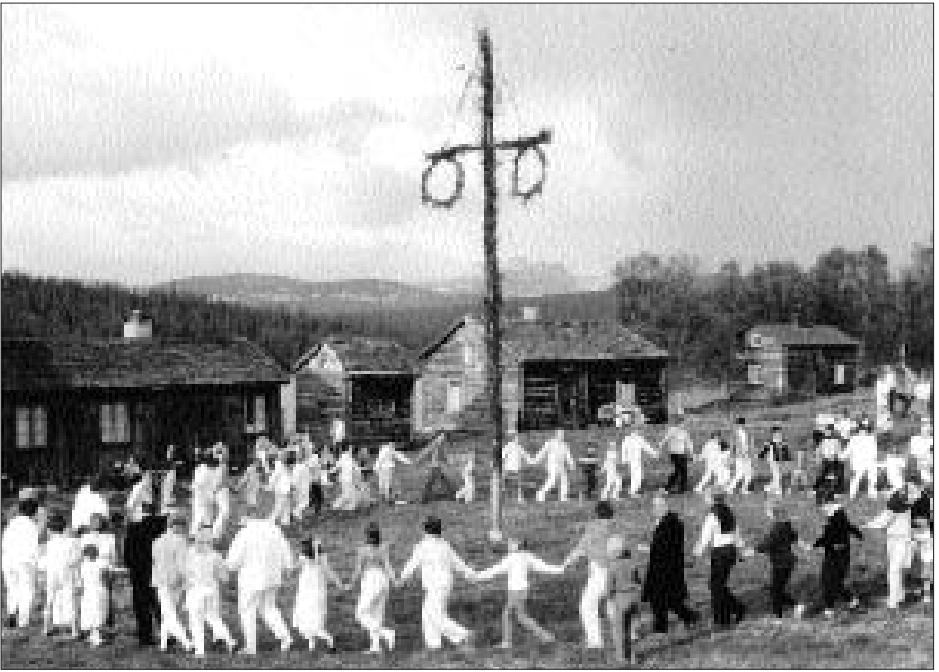
> GORDON F. SANDER is a journalist and author who writes frequently about Northern Europe. His work has appeared in the *New York Times*, the *International Herald Tribune*, the *European*, and other publications. Copyright © 1996 by Gordon F. Sander.

ened the previous summer, when a Swedish army lieutenant stationed in the northern town of Falun went berserk after being jilted by his girlfriend. With his government-issue automatic weapon, he ambushed a group of bystanders and murdered seven.

Ship sinkings, machine gun massacres, and, still unforgotten and unsolved, the 1986 assassination of Prime Minister Olof Palme—could these terrible things, many wondered, really have happened in Sweden?

“In Sweden there is a fantastic, erroneous belief in rationality,” the noted Swedish cancer specialist Georg Klein, a Hungarian refugee, recently told an interviewer. He elaborated: “People here live with the assumption that if only the laws are just, then society will also be perfect—that everything can be planned.” In Sweden, Klein explained, “there is a basic ignorance of the fact that good and evil exist within every human being—that we can never know what will happen.”

Now, in the wake of the *Estonia* sinking, the Stureplan and Falun massacres, and all the other afflictions that the Swedish nation has suffered



In celebration of Midsummer, Swedes sing and dance around a maypole.

since Palme’s assassination in February 1986, the once cozened and complacent Swedes seemed to be questioning their confident rationalism. Perhaps they were beginning to realize that the inexplicable and unforeseen could happen, even to them.

There were doubts and anxieties, too, about matters less cosmic but no less portentous, including Sweden’s decision, in November 1994, to abandon two centuries of isolation from the Continent’s messy affairs (including World Wars I and II) and join the European Union. The national plebiscite was less than overwhelming: 52 percent approved integration, while 47 percent were opposed. A subsequent poll indicated that if Swedes were able to vote again, they would say no to Europe—as their recalcitrant Norwegian neighbors ultimately did by a



Carlsson: a prime minister grows weary.

margin of more than two to one.

Last September, isolationist feelings surfaced even more strikingly in the remarkably low turnout (41 percent of eligible voters) for the election of Swedish representatives to the European Parliament. Just as remarkably—and dealing a severe blow to the pro-Europeanist prime minister Ingvar Carlsson—a mere 28 percent of the vote went to his Social Democratic Party, while no less than 30 percent went to the anti-Europe coalition parties of the Lefts (formerly, the Communists) and the Greens.

But Swedes were and are troubled by more than the question

of relations with Europe. Since 1993, unemployment—once negligible and thought certain to remain so—has been hovering around 12–13 percent.* Could it be that Sweden’s lavish welfare state was partly responsible?

There seemed to be grudging support for finance minister Persson’s campaign to bring the massive welfare state under control, and with it, Sweden’s public debt. The government budget deficit currently runs to more than 11 percent of the country’s gross domestic product (GDP). Belt-tightening measures such as cutting tax-free allowances to families with children seemed the only solution.

To many Swedes, however, especially older ones with memories of fatter, happier times, it is dismaying, if not disorienting, to see the same Social Democratic Party that had erected “the strong society”—as one of its greatest architects, Tage Erlander, the long-time postwar prime minister, proudly called it—now moving to weaken it (even if it appeared to be the *weakness* of the supposedly “strong” society, “the Swedish model,” that was necessitating the unwelcome measures).

Adding to Sweden’s confusion has been the end of the Cold War. The collapse of the Soviet Union and its empire meant that Sweden could no longer play the neutralist role it had confidently assumed during the long conflict between East and West, calling steadily, and perhaps a bit self-righteously, for peace, disarmament, and alternatives to confrontation. Internationally, as well as at home, the Swedish certitudes have been rapidly crumbling.



Persson: his sommar is sacred.

*The rate of “total unemployment” in Sweden consists of the rate of “registered unemployment” (7.5 percent in May 1995) and an additional percentage (4.8 percent in May 1995) of those in the labor force who are taking part in various government-financed or government-subsidized job-training or work programs. Thus, in May 1995, “total unemployment” was 12.3 percent. In this essay, the jobless rate figures given are for “total unemployment.”



Over and over last summer I heard the same anxious questions, in one guise or another, the questions of a nation newly in search of itself, nostalgic for its past, and fearful of its future. *Who are we?* Swedes were asking. *Where are we? Where are we going?*

And who will lead us? Not Ingvar Carlsson, the recent heir to this century's tradition of long-serving Social Democratic patriarchs. In mid-August, just as many Swedes were returning to work after their long summer vacations, the 61-year-old politician announced—ostensi-

bly out of sheer weariness with politics, but doubtless also from heartsickness at having to cut back the cherished welfare state—that he would retire at the next party conference, in March 1996. (His term runs until 1998.) “I led the party back into power,” was all the tired technocrat would say in explanation, alluding to his success in November 1994 in ousting the “non-socialist” coalition government headed by Carl Bildt of the Moderate Party.

Swedes had grown accustomed to Carlsson. To many, his visage had become as familiar as an old shoe. Indeed, “the Shoe” had become his nickname. (A helpful bartender at my favorite Stockholm restaurant showed me why, by taking off his own shoe and placing glasses on it. The resemblance to the outgoing prime minister was indeed uncanny.) However, it is probably an exaggeration to say that Carlsson will be missed. After some internal jockeying, his young, tough-talking, spike-haired deputy prime minister, Mona Sahlin, emerged as his designated successor. But then, after revelations that she had misused her official credit card—a real “no-no” in a country that is prudish about personal finance—the 38-year-old heir apparent removed herself from consideration, as well as from the government. This pitched the party into a new crisis, as it searched for someone to take Carlsson’s place. No one seemed to want the job. Finally, in December, the long search came to an end when finance minister Persson—he of fiscal-austerity and stand-by-your-*sommar* fame—stopped saying no, and agreed to be nominated by the party to fill out Carlsson’s term. The news sent a wave of relief through party ranks, but it did not solve the larger problem: the party’s—and the country’s—identity crisis.

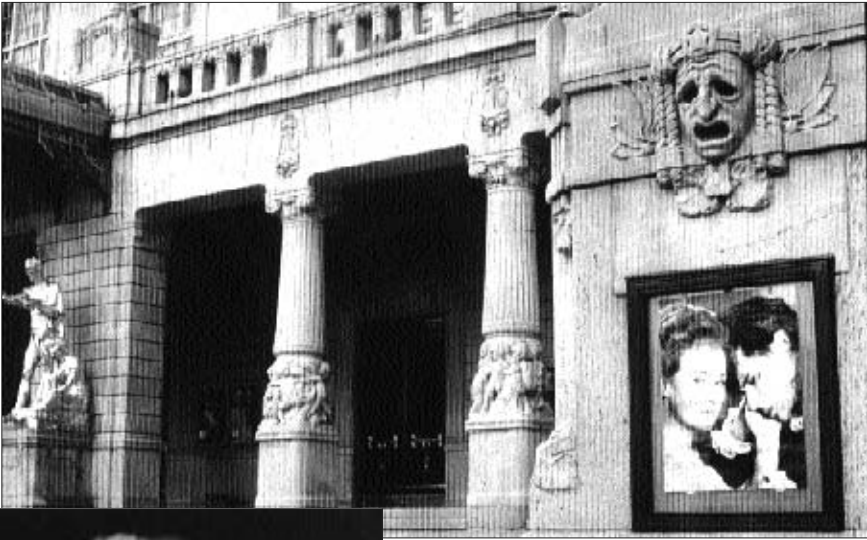
W *ho are we? Where are we? Where are we going?* This was the refrain I heard in the stateroom of the *Juno*, the longest-serving (since 1874) vessel of the Göta Canal company’s small fleet, one night last summer as I was gliding across the country and sharing aquavit with some new Swedish acquaintances. “We know we are becoming something different,” sighed Maria, a schoolteacher and married mother of three from Stockholm. “We just don’t know what it is.”

I had heard a similar plaint—with elaboration—in the comfortable Stockholm apartment of Jan Guillou, an author of best-selling detective novels and Sweden’s most commercially successful writer. He once went to jail for revealing the workings of a government espionage agency and now expresses his sometimes controversial views on current affairs in a regular newspaper column.

“People talk about an economic crisis,” Guillou said. “Perhaps there is an economic crisis. We certainly are broke. But the real crisis here is a crisis of confidence. It all began with that Soviet submarine that ran aground, after our highly trained navy failed to detect it.”

The 1981 incident, which took place near the southeastern Swedish coastal base of Karlskrona, was disturbing as well as embarrassing. It seemed to demonstrate not only the incompetence of the Swedish navy but the naiveté of official government attitudes toward the supposedly friendly communist regime in Moscow.

Guillou went on to catalog a series of further blows to Swedish self-confidence, including the one that angers and baffles Swedes the most: the protracted and thus far unsuccessful investigation into the 1986 assassination of Prime Minister Palme, who was killed while walking home with his wife from a Stockholm movie theater. The mystery writer him-



Establishment of the Royal Dramatic Theatre (above) was among the achievements of Gustav III (left).

self believes that the police had their man—a former mental patient who had to be released, after Palme’s widow, Lisbeth, failed to identify him in court. The besieged head of the decade-old police inquiry disagrees. Meanwhile, the media are full of conspiracy theories. “The loonies have taken over,” Guillou lamented.

Sweden is just not the same anymore, he noted, and for Swedes, this is extremely troubling. “You must understand, we’re not used to being a second-rate nation. My God, we can’t even make decent tennis players anymore!”

I heard a similar sentiment from Peter Jager, a professor of statistics at Chalmers Institute of Technology, as we lunched in his backyard on a blazing summer day: “It’s so hard to accept. We used to be the Americans of Europe. We used to be somebody.”

For a relatively small, sparsely populated country on the periphery of Europe, the Kingdom of Sweden has in this century and in other recent ones exercised considerable power and influence over the world’s affairs and imagination.

In four discrete historical periods, Sweden attained or enjoyed imperial, economic, or cultural greatness. Each of these eras left its mark on the Swedish state and social consciousness. Eerily enough, each era climaxed with the murder or suicide of its most representative or formative figure. Little wonder that Sweden sometimes seems a haunted land.

Although the rest of the world has forgotten it, the Swedes once had a considerable empire. For more than a century, from the first decade of the 17th century, when the cunning Gustavus Adolphus II began to conquer his various Baltic neighbors—including the Danes, the Germans, the Poles, and the

Russians—until the second decade of the 18th, when his brilliant but demented descendant Charles XII was slain by a soldier (probably one of his own), *Sverige* ranked among the great European powers. Although it would take another century, and a series of wrong-headed wars with Russia, for Sweden to completely give up its expansionist ambitions, the end of its empire effectively took place when Charles keeled over dead in the trenches outside the Norwegian outpost of Fredrikshald, to which his forces were laying siege.

Although Sweden was reduced again to a minor state, its imperial period left it with several enduring legacies. These included a deep revulsion toward war and untidy entanglements with the Continent, as well as a massive state administration—built up, ironically, for the purpose of waging war—and a profound popular respect for the authority of the state.

The reign of Gustav III (1771–92), the so-called Gustavian Age, was Sweden's second period of greatness. It, too, left a lasting imprint on the Swedish national character. A passionate Francophile, Gustav was in Paris when his father, Adolf Fredrik, died in 1771. Returning home to take the throne, Gustav resolved to make Sweden a cultural power like France—and nearly succeeded, thanks to a wealth of talented Swedes: painters such as Carl Gustaf Pilo and Alexander Roslin, and poets and writers such as Carl Michael Bellman, Johan Henrik Kellgren, and Anna Maria Lenngren. Gustav's first concern was to protect and promote the Swedish language. To that end he founded the Swedish Academy in 1786, modeling it after l'Académie française. Later, he established and nurtured the Royal Dramatic Theatre and the Royal Opera. An amateur thespian, Gustav played minor roles in several of the productions he commissioned. No king or queen was ever friendlier to the arts, or more beloved by the intelligentsia.

The nobility, however, were less enamored of Gustav III, especially after he drew the country into a futile war with Russia (1788–90) and took steps to make himself an absolute monarch, in the style of Louis XIV. In 1792, an aggrieved nobleman shot the would-be Swedish Sun King at a masked ball—in Gustav's own opera house, no less. It would be the last assassination of a major political figure in Sweden for nearly 200 years.

Today, Gustav's influence sometimes shows up in unexpected ways. At an open-air band concert I attended last summer in Djurgården, Stockholm's Central Park, I was surprised to see figures in 18th-century garb capering about—members, I was told, of the “Gustav the Third Society.” More substantially, Gustav's enthusiastic patronage and promotion of the arts for the whole society may help to explain why there is less of a gap between elite and grassroots culture in Sweden than in the rest of Europe.

The 19th century was a wrenching one for Sweden. Although individual Swedes—including explorer Adolf Erik Nordenskiöld, who assayed the first trans-Arctic circumnavigation of Asia in 1878, and the inventors Sven Wingquist, Lars Ericsson, and Alfred Nobel, who brought forth ball bearings, the table telephone, and dynamite, respectively—showed daring and inventiveness, Sweden as a nation stood out as one of the sluggards of the Industrial Age. In many ways, in fact, it remained mired in the feudal age.

Lacking in risk capital and the necessary infrastructure (at midcentury, there still were no railroads), the country had to watch the Industrial Revolution from the sidelines. Meanwhile, Swedish agriculture, hampered



A late-19th century socialist agitator addresses workers; out of the strife came trade unions and the Social Democratic Party.

by medieval laws such as primogeniture, could not keep up with the demands of a surging population. By the end of the century, 1.5 million Swedes—mostly displaced farmers and their families—had moved to other countries, particularly the United States. This Great Emigration of one-fourth of its people left Sweden in a bad way.

Yet there were glimmers of the “strong society” to come. The 1847 Poor Law required each parish and town to feed its own needy. King Oskar I (1844–59) became internationally renowned for his interest in prison reform. And in 1889, a band of Swedish progressives founded the Social Democratic Party. Although the rhetoric of the movement that produced the party, especially that of founder August Palm, a professional agitator, was severe and confrontational, in practice the party favored compromise. Credit for this goes largely to Hjalmar Branting, the party’s first secretary. A pacifist and a fervent advocate of workers’ rights, he was also a pragmatist, and he quickly moved the unstable Palm out of the way. In the next century, Branting became the first Social Democratic prime minister (1920, 1921–23, 1924–25), stepping down shortly before his death. Within two decades, the party he played so large a role in founding would usher in the Swedish model, and with it, Sweden’s golden age.

Before that happened, however, Sweden enjoyed a third period of greatness, this time economic in form. After World War I, the Swedish economy finally came into its own, as many of the industries established before the war—including those built by Nobel and Ericsson—went international. The country’s iron and shipping industries also boomed. For a while, thanks to financier Ivar Kreuger, the so-called “Match King,” Sweden appeared headed for a worldwide monopoly on match production. Kreuger’s financial position was so strong that he was able in 1927 to lend the French government \$75 million and later to give the German government an even larger loan. As the global economic crisis of the Great Depression got worse, however, Kreuger’s financial situation became

increasingly strained. In 1932, in a posh Paris apartment, the desperate financier fatally shot himself. Another Swedish leader had fallen, done in by his own hubris. Posthumous revelations of Kreuger's chicanery rocked Sweden and the international financial world. Another era of Swedish influence came to a close.

As the Great Depression worsened in Sweden, tensions between labor and business rose. These culminated in a bloody—and for Sweden, very unusual—incident in the northern Ådalen Valley, when soldiers panicked during a protest by striking sawmill workers and opened fire, killing four demonstrators and a spectator.

The combination of Kreuger's suicide and the Ådalen massacre took the wind out of the imperious Swedish business community, making it easier for labor to obtain a favorable arrangement. The grandfatherly Per Albin Hansson, who had assumed the mantle of leadership of the Social Democratic Party from Branting, also exerted a calming influence. With only a brief interruption in 1936, he would serve as prime minister for the next 14 years (1932–46).

The crisis of the depression was overcome more swiftly in Sweden than in most other countries; by 1936, wages had returned to their old level, and by the end of the decade, unemployment had become negligible. During those years, the country veered away from class warfare and turned toward the Social Democratic idea of *folkhemmet*, or “people's home,” in which the government meets the needs of the people in times of joblessness, illness, and old age.

Financed by taxes on income and by employer contributions, the Swedish model, as the Social Democrats' visionary project came to be called, would



A Stockholm memorial honors Social Democratic prime minister Branting.

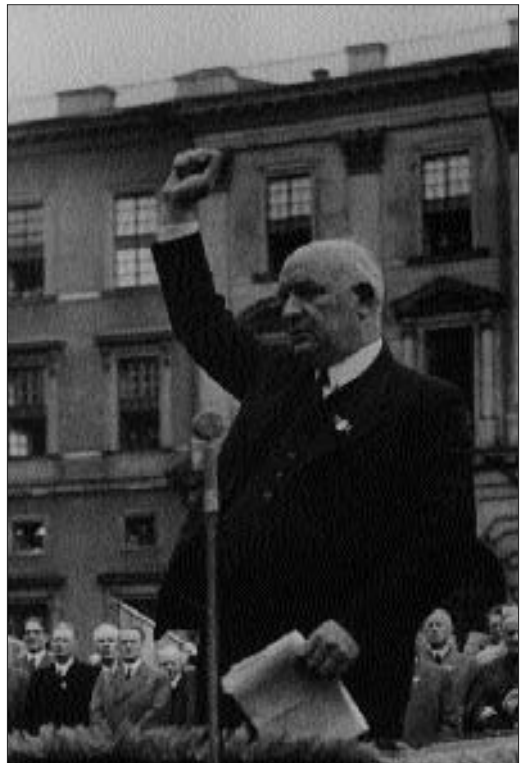
provide Swedes with unemployment insurance, a general pension fund, improved and widely available medical care, mass housing starts, and a refurbished and fully subsidized public education system. The Wallenbergs and the other 20 or so powerful families that then dominated the Swedish economy (their number is now down to about a dozen) went along with all this, on the tacit assurance that it would be financed by taxing income, rather than further taxing wealth. (A tax on wealth had been in place since 1910.) The deal proved to be a lasting one: Sweden did not adopt a capital gains tax until 1995.

In 1938, the Riksdag, the Swedish parliament, put the first element of the projected welfare state in place: a mandatory two-week paid vacation for all Swedish workers. That same year, confederated labor and industrial leaders signed the so-called Saltsjöbaden agreement (named after the Swedish resort where it was incubated). The two sides—both wanting to avert the threat of government intervention in labor disputes—agreed to be bound by procedures regulating collective bargaining and strikes. Unions had to give advance notice of any planned industrial action. The ensuing labor peace allowed employers to build up factories that had been laid low by the depression. The Saltsjöbaden agreement, and the spirit of cooperation it represented, became the real basis for the Swedish model.

Even before that historic agreement, the Social Democratic project aroused interest in Western intellectual circles. With the worldwide depression under way, American journalist Marquis Childs wrote *The Middle Way* (1936), a sympathetic account of the Swedish search for a humane middle course between unfettered capitalism and doctrinaire socialism, between fascism and communism.

Before the Swedish model (or “Middle Way”) could become a reality, however, World War II intervened, forcing a postponement of major social and economic reforms. In 1939, the year after the Saltsjöbaden accord, Germany invaded Poland; seven months later, the Nazi juggernaut swept up Denmark and Norway. Once again, as in World War I, Sweden declared its neutrality. Realizing that this meant little to Hitler—as his invasion of the avowedly neutral Netherlands in May 1940 showed—Sweden mobilized, and prepared for the worst.

Fortunately, the worst never came. Hitler decided that a neutral Sweden served Germany’s purposes, provided that it continued to supply the Reich with iron ore, which it did until almost the end of the war. It also tolerated regular infringements of its sovereignty, including, most infamously, the passage of a sealed train of armed German troops



Per Albin Hansson addresses a throng.



A Swedish soldier watches as Nazi soldiers board the train for Finland in June 1941.

in June 1941 through Sweden from Norway to Germany's then-ally, Finland.

After the war, the Social Democratic Party easily won the 1946 election (and would remain continuously in power for 30 years). The party now was ready, as was the country, to bring the *folkhemmet* into being. With its economy intact and mobilized, and possessing the largest export capacity in Europe, Sweden experienced an economic boom. The Social Democrats, following the blueprint drawn up before the war, raced to complete their vision of the perfect society, complete

with child allowances, low-cost housing, and old-age pensions. Plank by plank, the "first floor" of the long-awaited, cradle-to-grave welfare state fell into place. Sweden's golden age had begun.

The Saltsjöbaden accord and its spirit of cooperation proved amazingly durable. With the Social Democratic government looking benignly on, Sweden's well-organized labor confederations—representing 95 percent of the nation's blue collar workers—and the equally well-organized Swedish employer associations were usually able to reach swift agreement on wages and working conditions. Strikes and work stoppages were rare, and Swedish industry hummed. From a low of five percent of GDP at the end of World War II, exports increased to more than 22 percent in 1950. As Swedish industry's international competitiveness grew, the postwar prosperity was sustained—and the welfare state was able to thrive.

A short recession in the early 1950s forced the Social Democrats to take a breather, but then came the postwar boom of 1955–65. Swedish exports of paper, metal, and other goods doubled, and the annual growth reached an extraordinary 5.1 percent in 1964. This export-led expansion permitted the construction of a lavish "second story" of services and benefits: improved health care, a four-week mandatory holiday, better care for the elderly, and a so-called Million housing project—designed to provide 100,000 new, low-cost apartments annually during the decade of the 1960s.

The party's ideological aim was to create an egalitarian society, one in which all who wanted to work could work. And indeed, for three decades, unemployment in Sweden rarely rose above one percent. During the 1950s and '60s, the worldwide demand for such Swedish products as paper pulp and ball bearings was so great that skilled and semiskilled workers were imported by the tens of thousands, first, primarily, from neighboring

Finland, then from Italy and other southern European countries. These *invandrare* were welcomed into the bountiful *folkhemmet* (unlike more recent immigrants from Africa and the Middle East, who have found a chillier reception and far fewer jobs).

But as classical tragedy would have it, the Social Democrats' success helped to bring about a reversal of fortune. In the late 1950s, political scientist Joseph B. Board has written, the growth of the public sector started to get out of control. So long as the prosperity kept up, most Swedes did not object, except to complain about rising taxes. With the electorate then becoming predominantly middle class, the Social Democrats adopted a strategy of extending "social benefits not just to the most vulnerable in the society . . . but to all, regardless of income," Board notes. This expansion of state largesse won the allegiance of middle-class voters but also caused the welfare state to balloon in size. Moreover, to counter the threat of growing unemployment, the ruling Social Democrats decided to create new jobs in the public sector, mainly at the local level.

As late as 1965, only one-fourth of Swedish women with children under age seven were employed outside the home, and most of these worked only part-time. Day-care centers were relatively scarce. But debate about "sex roles" became a national passion during the 1960s. The egalitarian society, it was argued, required the modification, or even elimination, of different sex roles for men and women. Progressives argued persuasively that women, even those with young children, should have the right to pursue a career. Between 1965 and 1980, the proportion of working women with preschool children rose from 27 to 64 percent.

Child care, as a result, became another important function of the welfare state. Virtually all the growth in employment since the early 1960s, according to University of Chicago economist Sherwin Rosen, has resulted from women entering the labor force and working in a local *dagis* (day-care center) or in other local government jobs. Indeed, he points out in a recent National Bureau of Economic Research study, it is precisely in the government's "greatly enlarged role in household and family activities" that Sweden differs so markedly from advanced Western countries outside Scandinavia.

Swedes liked to think that, in this as in other matters, the rest of the world sooner or later would follow their example. During the 1960s and '70s, when Sweden acquired a reputation—undoubtedly much exaggerated—for sexual permissiveness, Swedish leaders argued that a global change in sexual mores was under way. "I think that young people in the United States feel very much the same as young Swedes," said Ingvar Carlsson, then the minister of education. "But the United States authorities are slow in following up developments. In Sweden, we are quicker." The ensuing decades seemed, for better or worse (or both), to bear him out.

But Sweden's swollen public sector, observe Swedish economists Magnus Henrekson, Lars Jonung, and Joakim Stymne, had definite drawbacks: it made the economy less efficient and less able "to adapt to shocks and disturbances." This contributed to the growth rate's decline in the 1970s and '80s. So did the globalization of the economy. For a century,

Sweden had enjoyed what economists call comparative advantages, in the form of a relatively well-educated populace and a rich supply of raw materials that were in demand—and the result was sustained and rapid economic growth. But globalization changed the conditions of production and the international division of labor, and made Sweden’s traditional advantages less important.

To foster continued rapid economic growth, the economists say, Sweden needed to continually develop new “comparative advantages,” through investment in human capital, research and development, product development, and organizational changes. Overall flexibility in the system was required to enable it to adapt. Instead, Henrekson and his colleagues say, after the international oil crisis “shock” of the early 1970s and later economic blows, Sweden became less competitive in the international economy. But the Swedish economy’s serious weaknesses only gradually became apparent, allowing Swedes to continue to think they could go on as before.

While it lasted, Sweden’s golden age was the most extraordinary period in Swedish history. The nation was rich. It was at peace, both with itself and with the rest of the world. Perhaps most important, Sweden stood for something: social democracy, humanitarian values, equality, rationality—the Swedish model, the Middle Way. The world took notice. And it also observed, and was much impressed by, something else: Swedes’ rich talents in the various arts of design [see box].

During this same postwar, “harvest home” period, the great Swedish film director Ingmar Bergman achieved international fame with his dark, brooding films about good and evil. Ironically, Bergman had difficulty finding popular acceptance at home, in part because his view of human nature contrasted so starkly with his country’s utopian vision. “Every time we looked at ourselves in the mirror,” writes noted Swedish drama critic Leif Zirn in *Seeing Bergman* (1992), “we saw that we were successful, healthy, rational, and right-minded. Accidents could still happen, but in principle, Sweden had become a land without tragedies.” But that is not the country we see in such Bergman films as *The Silence* (1963) and *Persona* (1966). Bergman’s characters, notes Zirn, “suffer, they are plagued by guilt, caught up in their neuroses, and they refuse to become like everybody else—adult, cooperative, integrated.” They appear unaware of their country’s vaunted effort to cure “all ills of the psyche by means of material rewards.”

Eventually, Swedes would come to wonder if their conception of the welfare state was not too materialistic. During the golden decades, however, it seemed just fine. “From 1945 to 1975, Sweden was the best society that has ever existed in the world,” recalls Harry Schein, an Austrian Jew who, like Georg Klein, sought refuge from Hitler in Sweden and achieved success there as, among other things, founder and president of the Swedish Film Institute and president of the Swedish Investment Bank.

Most Swedes, middle-aged and older, have similar memories of that time—and they have had the greatest difficulty adjusting their outlook today. “Upon reflection,” says Schein, who writes a column for *Dagens Nyheter*, “it is easy to see that the ‘Swedish model’ evolved more through luck than skill. It isn’t so remarkable that conditions now are declining and that times have gotten tougher. What is remarkable is that this golden epoch from 1945 to 1975 happened at all.”

During the late 1960s and early ’70s, when Swedes still saw themselves

The Swedish Genius for Design

In one of the more enduringly perceptive portraits of the Swedish character, British writer Paul Britten Austin describes the Swedes' most distinctive talent.

To anyone with the least sense of beauty Sweden is the most delightful of countries. No hoardings, notices, advertisements disfigure its highways. The home, the office, the nice restaurants and coffee shops, the modern churches and pleasing suburbs, even the sense of beauty revealed in the tasteful arrangement of goods in shop windows, all are like an exquisite stage set to which the Swede is never done putting the finishing touches. . . . Each new hotel is an objet d'art. Its kitchens, no less than its restaurant or bedrooms, are a joy to the eye. Everyone cares that it shall be so. His environment must be människovärdig, "worthy of human beings." What medieval society lavished on churches and abbeys, he lavishes with something of the same spontaneous delight on shaping the goods of everyday life. . . . It's not surprising that Sweden and Scandinavia have revolutionized the world's ideas of design.

Into the innermost recesses of industrial processes the Swede brings this feeling for aesthetic values. Some of the most beautiful Swedish films are documentaries celebrating the unwitting beauties of ball-bearings, iron-ore, or the Stockholm gasworks. "The Swede," writes Ilya Ehrenberg,

"is the poet of matter." The harder, more immalleable the materials, the greater his poetry. He is as ready to make beautiful cutlery out of nylon and stainless steel as out of silver. Anyone can distinguish at a glance Scandinavian furniture from its foreign imitators. In the original there is a built-in love of wood—of its surfaces, its masses, its joinery, bulk, grain—that cries out for loving hands to stroke it. To make such things one must also love wood more than people. . . . The very timber becomes a sort of soul-substance, expressing life's possibilities—and its impossibilities. A Swedish chair is a poem on your carpet.

So with glass.

What is more fragile, yet more substantial? More fluid, yet more solid? More firmly there, even while it isn't there? More cold, yet more passionate? There are pieces of such glass as seem to express the whole soul of Sweden: its remoteness, its stillness, its silence, its rigidity, its intellectuality—all its complexity of light and prism, ready to catch and welcome each gleam of the sun, or, when the sun isn't there, to be a miniature sun on its own. They are like crystals, in which the Swedish psyche, gazing, sees a vision of a universe immaculate, complex, yet fundamentally understandable and controllable, reflected in a hundred flashes of light.

Let no one think this type of creativity peripheral, a byproduct of Swedishness. It, too, is of its very essence. Just as the exquisite furniture is called in to replace the unsatisfactoriness of the guests and the social-welfare machine renders superfluous too personal an engagement in other's fates, so this innocent paradisiac ideal, from which all complexities, uncertainties, disappointments are banished, comes to serve in lieu of spiritual ideals which, in other lands, it may be, hardly envisage perfection, but humbly strive within the terms of man's ordinary condition.

—Paul Britten Austin, in On Being Swedish (1968).





Palme: he deplored U.S. role in Vietnam.

as “successful, healthy, rational, and right-minded,” they evinced an increased interest in foreign affairs. “The Swedes take evident pride in Sweden’s uniqueness, its vanguard role on the international scene,” American writer Susan Sontag wrote after she journeyed to the peace-loving land in 1968 to make a film. Other Americans were not so taken with neutralist Sweden, especially after Olof Palme became prime minister in 1969. An outspoken critic of U.S. policy in Vietnam, he made no secret of his pride in the fact that Sweden had given asylum to several hundred American deserters. By 1972, Washington

was so offended by Palme’s statements and actions that it briefly withdrew the U.S. ambassador to Sweden. After the war ended, Palme turned his rhetorical guns on Western colonialism and on the East-West arms race (managing to ignore the fact that Sweden was a major manufacturer of armaments).

In 1976, in part because of weariness with the strident Palme, in part because of new opposition to the government’s decades-long policy favoring use of nuclear power, the Swedes turned the Social Democrats out of office. After more than four decades in power, they were replaced by a coalition of Liberals, Moderates, and Center Party members, in various less-than-inspiring combinations. Palme and his party would be restored to power six years later (in part because of the Soviet submarine episode in 1981), but during the interregnum, Swedish government and society continued largely as before.

And the Middle Way continued to come undone. After Palme’s assassination in 1986, Swedish prime ministers would never again walk unguarded in the streets of Stockholm. Evil, it now had to be assumed, was permanently at large in utopia’s capital city. With the death of the somewhat imperious Palme—the best-known, if not necessarily the best-liked, Swedish prime minister since Hjalmar Branting—Sweden’s golden epoch of social democracy had its coda.

Palme’s death, and his replacement by the more reserved deputy prime minister, Ingvar Carlsson, led to an immediate diminution of the Swedish voice in international affairs. It also triggered some tumultuous—and very un-Swedish—fighting between Left and Right. And, by coincidence, the Swedish economy soon began an obvious downward slide toward disaster.

First, the growth in the annual GDP—which had averaged 2.0 percent annually during the 1980s—slowed; then it stopped. Then the economy actually began to shrink: the GDP decreased by 1.1 percent in 1991. Meanwhile, the rapid expansion of the public sector continued. By 1990, the total value of all forms of state-dispensed insurance, pensions, and subsidies had mushroomed from 31 billion kronor in 1970 to 573 billion kronor, and the number

of public service workers increased from less than 30 percent of the entire Swedish work force to almost 40 percent.

Such expansion necessitated ever-higher taxes. By 1990, the average family of four was paying about 55 percent of its income in taxes, and at the upper income levels, the tax rate had soared to 72 percent. One did not need to be a professional economist to realize that this tax burden was hurting productivity.

Economic growth in Sweden during the previous decade had been much the same as elsewhere in Western Europe, but it was based to a much greater extent on higher employment. Productivity (output per worker) had shown only weak growth—less than one percent in 1990. Thanks to a public insurance system open to abuse, average sick days per worker rose between 1983 and '88 by nearly one-third, from 18 days to 23, while the average actual Swedish work week shrank to an anemic 31 hours.

Sweden had kept up full (or almost full) employment—one of the chief boasts of the Swedish model—but at the cost of letting the economy overheat. In 1990, fueled by wage and price increases, inflation rose to more than 10 percent. For Swedish exporters, the worsened state of the economy meant sagging market shares and weaker earnings. Between 1990 and '91, the nation's exports decreased by 2.4 percent.

The truth could no longer be ignored: something was seriously amiss with the Swedish model.

In mid-1990, Prime Minister Carlsson took forceful corrective action. First, in a radical departure from Social Democratic practice, he sought to halt the country's runaway inflation by introducing an across-the-board freeze on wages, prices, interest rates, and dividends, as well as a two-year ban on strikes. Opposition to the plan was fierce, particularly from the Social Democrats' usual allies, the Communists. Except for the wage freeze, however, Carlsson's bitter medicine ultimately was swallowed.

At the same time, the increasingly embattled prime minister, with the help of one of the leading non-socialist parties, the Liberals, implemented a tax reform that reduced marginal taxation. For the average family of four, the tax bite dropped to around 40 percent.



Attractive and affordable housing, such as this in the city of Göteborg, stands as one of the accomplishments of the Middle Way.

Despite such efforts, the economic situation worsened. Unemployment rose in 1991 to 4.9 percent, of which 2.0 percent were in various government-financed or government-subsidized job-training or work programs. Rising unemployment meant greater outlays for such programs, on top of Sweden's "normal" 90 percent unemployment benefits. Since tax revenues were declining, in part as a result of the new tax reform, the outcome was a huge budget deficit.

Swedes were losing confidence in Social Democratic stewardship, and not only because of the economy. The collapse of the Soviet Union in 1991 cast a further pall on the party, and on its two ex-allies, the Lefts (formerly the Communists) and the Greens. The latter radical group had won its first seats in the Riksdag in the 1988 election. Now, all three parties were due for a fall.

The 1991 elections—with a high (though not unusual) turnout of more than 90 percent—resulted in a substantial shift to the right. The biggest winners, the Moderates, gained 14 seats, while their fellow centrist parties, the Liberals and the Center (or Agrarians), lost 11 apiece. The Social Democrats took a big hit, losing 18 seats, while the Lefts dropped five and the Greens failed even to reach the four percent of the total vote required to be eligible to take any seats at all in the parliament.

The political landscape was further altered by the arrival of two new right-wing parties: the Christian Democrats and the New Democracy. The former group, which garnered 26 seats, could hardly be called sensational. But the far-right New Democracy, a populist party formed by Ian Wachtmeister, a flamboyant industrialist, and Bert Karlsson, a fairground owner, was a different case. Coming out of nowhere to win 25 seats in the legislature, the New Democracy had couched its largely nativist appeal in thinly veiled xenophobic terms. Although not invited to join the new minority center-right government formed by Moderate chairman Carl Bildt, the extremist New Democracy now, incredibly, held the balance of power in the Riksdag. It was not a hopeful sign.

Civilized Sweden was headed for rough waters—and the biggest waves continued to be economic. Taking his cue from Britain's Margaret Thatcher, who had brought about a conservative counterrevolution in her country, the new Swedish chief executive, Carl Bildt, set out to cut back Sweden's overgrown welfare state. Knowing that his time in office might be short, Bildt moved quickly in several directions.

The government reduced taxes further, and slashed, or at least trimmed, numerous social benefits. The first day of sick leave, for example, now became unpaid. The government also lifted some of the social burden off the shoulders of employers, reducing mandatory payments for employee benefits and eliminating many regulations on industry.

"This is like the fall of the Berlin Wall!" exclaimed a representative of the building industry, after regulations letting local authorities have a say on almost every detail of the design of a proposed building were abolished. "Socialism is gone!"

Well, not quite. Although the state bulked large in every aspect of Swedish life, Sweden, contrary to myth, had never practiced true socialism. After a half-century of Social Democratic hegemony, the means of production in Sweden remained almost entirely in private hands. And in this small kingdom, those private hands were relatively few. As much as the country had striven for egalitarianism, Sweden's corporate world

remained under the domination of about a dozen wealthy families, including the Wallenbergs, the Bonniers, and the Stenbecks. The Wallenbergs, the most powerful of them, alone owned 40 percent of the securities on the Stockholm stock market.

Capitalism had always been alive and well in Sweden, at least on a certain stratospheric level. The Social Democrats had allowed the Wallenbergs and the other families to retain their wealth and never seriously challenged their control over certain industries. (The Bonnier family, for example, virtually monopolizes Swedish publishing.) Sweden was not, nor had it ever been, a truly socialist nation, even though the omnipresent and intrusive state often made it feel like one.

Bildt was not disposed to challenge Sweden's powerful families, but he did hope to nourish the country's anemic entrepreneurial class with his tax cutting and rules slashing—and to a certain extent, he succeeded. In addition, as part of his long-range plan to make Sweden internationally competitive again, Bildt and education minister Per Unckel put considerable thought and money into education, particularly higher education and research. Over the strong opposition of the Social Democrats, the university sector was thoroughly deregulated. For the first time, Sweden's six universities and 29 colleges were encouraged to compete among themselves, both for state funds and for students.

The new non-socialist leadership also introduced competition into the state-run health sector, hoping thereby to improve productivity. Instead of giving hospitals their operating funds in bulk, Stockholm began paying the institutions on the basis of services rendered.

"Bildt did a lot, given the small amount of time he had," Greg McIvor, the Nordic correspondent of the *Guardian* and the *European*, told me last July. McIvor had settled in Stockholm in 1991, just in time to cover the Bildt "counterrevolution." "You also have to remember that he wasn't exactly the sort of chap to move you to tears. He was rather tiresome on the telly."

Not being telegenic would have hurt Bildt less had his term of office not coincided with Sweden's worst recession since the 1930s. Sweden's GDP continued to shrink, by about two percent in 1992 and again in 1993, and the jobless rate continued to soar, from 9 percent in 1992 to 12.5 percent the next year. Manufacturing and construction were especially hard hit, and so were younger workers. In 1993, 18 percent of 24-year-olds in the labor force were out of work.

With the economy declining, and the amount of unemployment benefits being doled out mounting ever higher, the Bildt government's tax cuts led to an expanding deficit, from 7.4 percent of the annual GDP in 1991 to 13.5 percent a year later. To deal with the deficit, Bildt gained Social Democratic support for two far-reaching austerity packages: one aimed at reducing public expenditures, the other at shifting the tax emphasis from production to con-



Sweden in the '90s: A homeless man occupies a castoff trailer at a dump outside Stockholm.

sumption. Despite the unusual political consensus, the international currency markets were far from impressed. After several weeks of fiscal bedlam in the fall of 1992, with tens of billions of kronor flowing out of the country, on November 19, 1992, the Bank of Sweden was forced to allow the krona to float. The Swedish currency immediately dropped 20 percent in value before beginning to stabilize.

The fate of the Bildt government was probably sealed on that day.

Only in 1994 did the situation begin to turn around. The economy posted a 2.2 percent rate of growth, its first expansion in three years. Exports, which had hit a low of 326 billion kronor in 1992 reached more than 471 billion. The center-right government deserved much of the credit for the modest, export-led recovery—but the electorate, which polls showed had already shifted leftward, was not willing to acknowledge that.

Even so, many Swedes had begun to accept the unpleasant prospect that their myriad benefits might have to be reduced. A 1993 report to the parliament by a group of economists, headed by Professor Assar Lindbeck, drove the point home. Blaming “several decades of mistakes and reckless policies for Sweden’s plight,” Lindbeck and colleagues declared that Swedes had to get used to lower welfare payments, including sickness and unemployment benefits. The beneficiaries also had to make higher contributions, if the country’s finances were ever to be put in order.

So be it, Swedes murmured to themselves. But as the fall 1994 parliamentary elections were to reveal, many, if not most, preferred that the surgery be performed by the Social Democrats. Ingvar Carlsson’s party increased its share of the vote from less than 38 percent three years earlier to more than 45 percent, and gained 23 new seats in the Riksdag, for a total of 165. Its status as the dominant political group in Sweden was confirmed.

While Carl Bildt’s Moderate party held its own, enjoying a slight increase over the 22 percent of the vote it had won in 1991 and retaining its 80 seats, the three other non-socialist parties all saw their tallies drop, for a loss of 20 seats. To the relief of most Swedes, the far-right New Democracy—whose representatives had alienated even many of their own supporters with their raffish, un-Swedish deportment in parliament—were eliminated from the Riksdag altogether.

Despite the nascent economic recovery, Carlsson’s new minority government faced a grim situation. Citing the “heavy burden of public sector debt,” which had rocketed from 16 billion kronor in 1991 to 168 billion just three years later, Moody’s downgraded Sweden’s long-term foreign currency debt rating to one that was lower than relatively impoverished Spain’s.

Sweden needed strong medicine—and the Social Democrats were now willing to prescribe it. The Carlsson government proposed a four-year, \$15 billion program of spending cuts and tax increases, and even put forward, for the first time ever, a capital gains tax. Among the most widely felt measures were a \$17 reduction in the monthly allowance of \$100 per child which the government had provided to every family, regardless of need, and a discontinuance of the 50 percent student railway discount. The latter provoked large nationwide student demonstrations, but the government refused to back down.

“No other government in Europe has the strength to do what we are doing,” proclaimed finance minister Persson, with some justification (as recent events in France have shown). No ministry was spared his scalpel, including foreign

affairs, which was forced to abandon its established formula of one percent of the GDP for foreign aid and opt for a somewhat smaller outlay instead.

As a result of the government's austerity program, Persson claimed, the budget deficit would be reduced from more than 11 percent of GDP in 1994 to seven percent this year, then to five percent or less by 1998.

Crucial to Persson's calculations was the expectation that people would spend just as much and save less. It was also hoped that they would work harder—those people who had jobs, that is. Implicitly, the government had abandoned the long-time Social Democratic commitment to full employment and was resigning itself to a jobless rate of 12 percent. "There is a difference between what we have to do for economic reasons and long-term ideological goals," Ingvar Carlsson had said four years before, in defense of his less severe austerity package of 1990. But without full employment, or something close to it, many wondered, what remained of Social Democratic ideology, not to mention the *folkhemmet*?

"We have come to the point where we must begin to get used to an unemployment rate of 10 to 15 percent," Harry Schein observed. "This is something new for us—an incredible pressure on society."

The Lefts, for one, refused to get used to it, breaking with the government over its employment policy in early 1995 and encouraging disaffected Social Democrats to come into their fold. Thus far, the Lefts seem to have been at least partly successful: the party made an unexpectedly strong showing last September in the elections for the European Parliament. When Carlsson, who had led the original campaign to say yes to Europe, announced his resignation, effective in March 1996, many analysts thought it might improve the chances of his party's slate of pro-EU candidates. But the move seemed to have the opposite effect.

Disenchantment—not just with European integration, but with the political system in general—seemed widespread, a reflection of the unsettling questions now loose in the Swedish psyche: *Who are we? Where are we? Where are we going?*

Troubled by more than just economics or politics, Swedes these days have developed doubts about their progressive and enlightened outlook. In 1944, the noted Swedish social scientist Gunnar Myrdal published *An American Dilemma*, the landmark study of race relations in America. A half-century later, the American dilemma has become, in a sense, the Swedish one as well.

Over the last decade, wave after wave of immigrants, more than a half-million in all, have come to Sweden from the Middle East, Africa, and most recently, the war-torn Balkans. In proportion to its population, Sweden—which has a liberal immigration policy and a reputation for granting political asylum—has taken in more outsiders than any other Western European nation. In 1994, the number of *invandrare* arriving at Swedish ports reached 83,000, an all-time high.

Generous to a fault, Sweden provides the newcomers with free medical care and free schooling, including lessons in Swedish, and houses them in clean, modern apartments in settler neighborhoods around the country. However, with continuing high unemployment, the state cannot give the immigrants what most of them want most: jobs. Nativist tensions reached an initial peak in 1990–91, when the first wave of refugees from former Yugoslavia arrived in Sweden, and fistfights between natives and immigrants



Kurdish immigrants, along with native Swedes, take a stroll through an amusement park on a splendid summer day in Stockholm.

became common. Though tensions have subsided in the last few years—witness the demise of the anti-immigrant New Democracy—many of the more recent newcomers say they feel less than welcome in their adopted country.

“Five years ago, this country was in denial of the fact that it even had an immigrant problem,” says Juan Fonseca, an immigrant from Colombia who represents the settler neighborhood of Rinkeby, just outside Stockholm, in parliament. “New Democracy was on the rise. The skinheads were prowling around. That phenomenon appears to be waning. Nevertheless, even if the state continues to offer basic services to immigrants, it can’t give them dignity without giving them jobs.”

Nationwide, about 40 percent of the immigrants who have come to Sweden over the past decade are unemployed. “There is a time bomb here,” Fonseca declared while touring his well-scrubbed, if ghettoized, jurisdiction last August. “It’s only a matter of time before the bomb goes off.” Fortunately, the murderous antiforeigner riots and firebombings that have been the scourge of Germany and Great Britain in recent years have not been seen in Sweden—not yet, at least. Nevertheless, more than 100 racially motivated attacks were recorded last year. Fonseca himself went into hiding in November, reportedly as a result of nativists’ threats on his life. This moved Prime Minister Carlsson to express shame at Sweden’s failure to control its xenophobes. “We have been too soft-headed toward the racists,” the retiring prime minister said.

Meanwhile, however, pressure has been building on the Riksdag to enact more restrictive immigration legislation. “We will, of course, continue to accept Geneva Convention refugees,” Leif Blomberg, the blunt-spoken minister of immigration, told me. “But we simply can’t take everyone who wants to come here anymore. We can’t afford it.”

Blomberg may well have the most difficult job in the Swedish government today, but immigration is not the only social time bomb threatening to go off. There is also juvenile delinquency. After five separate incidents last summer in which youths 15 or younger were stabbed by other teens or preteens, the national police commissioner issued a plea, and an offer, to

all disaffected and violently inclined youths to turn in their knives and daggers to the nearest church or police station, without fear of penalty or reprisal. The cause was roundly taken up by *Expressen*, the leading Stockholm afternoon tabloid. "TURN IN YOUR KNIVES!" its front page cried for days, in a proper Swedish fit of public-spiritedness.

The campaign was a failure. After seven days, only one stiletto had been turned in, and it was plastic. The police commissioner publicly wondered whether it might be more worthwhile to make it easier for violent offenders aged 15 or younger to serve jail time. And sociologists once again took up the question of whether Swedes excessively coddle their young.

Many of the new juvenile delinquents, however, do not have proper families to coddle them. In Sweden, as elsewhere, the single-parent phenomenon has been on the rise, with 59,500 children born out of wedlock in 1993, nearly two-thirds again as many as in 1980, and almost three times the number in 1970. And divorce also has been taking its toll: 22,234 families broken in 1994, up 15 percent from 1990's total and a record high. For many years, the two-parent family had been stronger than marriage statistics (or the country's exaggerated reputation for sexual permissiveness) had led some observers to believe. Many couples who chose to live together during the 1960s and '70s, and who had children, had stayed together in common-law marriages. But now that was changing, and more and more children were growing up in single-parent households. (The increased unemployment might have been one of the culprits.) As the ties binding younger Swedes to the state, the great *folkhemmet*, and their own families, have been loosening, Sweden seems to be becoming a somewhat more violent society. Criminal assaults increased two-and-a-half times between 1980 and 1994, from 22,563 to 56,266. Wherever one turned, it seemed, the conclusion was unavoidable: Tage Erlander's "strong society" was not so strong any more.

And yet. . . . Sweden may no longer be immune to the crime, intergroup tensions, unemployment, and other difficult problems that have afflicted other Western societies, but it still can be an almost idyllic place in which to live—at least for a summer, which is how I experienced it last year, living in my rented atelier on Djurgården, in the center of Stockholm, in the shadow of Gröna Lund, the city's venerable amusement park. A number of Swedish expatriates, when informed of my plan to take up residence in the Swedish capital, warned me that the city had fallen on hard times and was now a dangerous and depressing place.

But I found Stockholm quite the opposite—particularly in comparison with New York, Paris, and the other major Western cities in which I have lived over the years. To be sure, one can see evidence, here and there, of the *folkhemmet's* changed condition. On this visit, I was distressed to see, for the first time, people rummaging through public garbage cans. Were they, I wondered, the same former mental patients who reportedly have been released prematurely because of budget cutbacks? I also noticed several mendicants sleeping in the parks. For Sweden, this was another novelty.

But not once over the course of 10 weeks was I bothered, accosted, or solicited. Not once did I see a public altercation like the ones I have grown used to encountering in my otherwise comfortable Manhattan neighborhood. Rarely, outside of bars, did I hear voices raised. As long as I stayed away from the Stureplan area, scene of the infamous Sture

Companiet massacre and a growing public nuisance, I was safe at any hour of the day. And so was my property, as I discovered when circumstances forced me to leave my bicycle unattended in front of the city's biggest department store for several days. I was amazed to return and find the bike still, gloriously, there. Obviously, Sweden is no longer utopia (if it ever was), but I found it very agreeable.

Most of the Swedes I encountered were honest, hard-working people with a palpable feeling of caring and community concern. I could see this in the unusually solicitous way in which pedestrians stepped aside for the handicapped; in the way the bus driver at my stop would wait as long as he could to pick up latecomers, greeting all with a simple but solid "Hej!"; and in the proud bearing of the captain of the ferry for Djurgården.

I was especially impressed with the high general level of education and literacy of Swedish society. Nearly everyone, it seemed, read one or more newspapers a day, watched the often dreary national news broadcasts or the MTV-style local news show, *TV Stockholm*, and could discuss the issues of the day with ease, and, when called for, with passion.

Then there is Swedish culture.

Not surprisingly, given the country's ongoing identity crisis, one of the biggest cultural trends today is nostalgia. Museum attendance is way up, according to Minister of Culture Margot Wallström. "More and more, people are looking to the past for answers," she observed, in her large, airy office overlooking Stockholm harbor. "I also believe that the move towards European integration, and the reaction to it, has enhanced people's appreciation of Swedish language and literature."

She also suggested that "we in Sweden must develop a new definition of welfare, a less materialistic definition—one that stresses culture." As to how this would be accomplished, however, the minister was less than specific.

When asked to name her favorite contemporary writers and artists, Wallström seemed at a loss. She is not the only one. Although the prolific playwright Lars Norén continues to be well regarded, and the writer Stig Larsson has many fans for his dark novels, the days when literary giants such as Harry Martinson and Pär Lagerkvist roamed the land seem long gone.

Perhaps the most refreshing development in Swedish publishing of late has been the founding of a new publishing house, LeanderMalmsten, by two brash young Swedes, Kajsa Leander and Ernst Malmsten. They have set themselves the daunting task of breaking open the monopolistic world of Swedish publishing. So far, however, LeanderMalmsten has specialized in bringing out translations of the works of American and British authors, and has steered away from publishing Swedish authors. The house recently created a sensation with its translation of *Prozac*, the controversial novel by American author Elizabeth Wurzel. Clearly, the book hit a nerve with the Swedish public: it has sold more than 20,000 copies, a colossal number for Sweden. LeanderMalmsten promises to publish talented and up-and-coming Swedish writers—as soon as it can find them.

The most lively of the arts in Sweden in recent years may be popular music. Thanks to the international success of English-singing groups such as Ace of Base and Roxette, Stockholm has become a "hot" music city. Yet there is little about the happy, bland music of these bands that can be considered distinctively Swedish—unless it is their knack for coming up with a nonthreatening,

collectivist sound. Personally, I would rather listen to the sensuous sounds of the Swedish chanteuses Lisa Nilsson and Eva Dahlgren, both of whom record in their native language and are well known throughout Scandinavia.

As for that other art for which Sweden gained international renown, the art of film, the situation today seems, to put it generously, a little murky. The Swedish Film Institute still manages to produce 20 or more features a year, a remarkable output for a country Sweden's size—but getting Swedish cineastes to see the checkered results is another matter. (Native filmmakers who manage to draw more than 100,000 people into the theaters are rewarded with a state grant of one million kronor.) Of the current

generation of Swedish filmmakers, perhaps the most talented is Suzanne Osten, writer and director of such thoughtful historical melodramas as *Guardian Angel* and *The Brothers Mozart*.

Curiously, the most successful recent Swedish-made film—and the one which Swedes insist captures the essence of Swedishness better than any other recent film—an enchanting rural comedy-cum-morality play entitled *House of Angels*, was written, directed, and produced by an Englishman, Colin Nutley.

Of course, there are still the magnificent films of Ingmar Bergman, those penetrating masterpieces that reveal a world so much at odds with the assumptions of the Middle Way, a world from which Swedes so long averted their eyes.

Lately, Swedes have been showing new interest in Bergman. Last year, the largest-ever retrospective of his works went on a world tour and was much discussed in his native land. With the passing of the long-cherished Middle Way, the vaunted Swedish model, Bergman's dark films may hold clues to the uncertain future. As Swedes seek a more realistic answer to the questions of who they are and where they are going, they may find that, in tragedy and a sense of limits, their best guide to life after the fall has been around all along.



Stockholm's water festival draws hundreds.