



THE ALTERNATIVE

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How Nordic Business Interest Associations Attempted to Formulate an Ideological Programme, 1945–1975

Information agencies set up for business-friendly opinion moulding in Sweden worked actively with similar organizations in the Nordic countries to formulate a pro-business ideological programme after the Second World War. The intent of this so called 'Alternative' was to counteract social democratic ideas of a more state-planned economy. This article contributes to earlier research on how business interest associations in corporatist countries responded to the development of the welfare state in the Keynesian era. Over time, the programme became less about taking an ideological stance in defence of free enterprise and more about dealing with the economic consequences of record growth. Business involvement in cartelization proved difficult to combine with arguments for free competition, free markets, and non-regulated prices. Collaboration as well as new institutions for both formal and informal discussions between labour and capital during the 1950s and 1960s, at least in Sweden, seems to have reduced the sense of urgency for an ideological programme for business. In the end, no Nordic business programme was ever realized.

Keywords business political activity, public opinion, Sweden, business interest associations, business ideology, cartels

Introduction

As the Second World War drew to an end, labour leaders in Sweden presented a post-war programme aimed at improving economic efficiency and counteracting the anticipated downturn through increased government planning. This could be accomplished partly through socialization. 'To realize this program is to give

business a new organisation and to reshape society in a socialistic direction', it stated.¹

Business interests replied by launching a campaign for free enterprise, which came to be known as *planhushållningsmotståndet* (planned economy resistance), or PHM for short.

In the other Nordic countries, organized capital and organized labour also clashed on the issue of statly planning of the economy.² As a result, 'information agencies'³ set up by business interests in Sweden, Norway, Denmark, and Finland came together to write an ideological programme named 'the Alternative' as a counter-narrative to the labour proposals. This paper depicts the previously unknown development of the programme, its motivations and ideological sources, and discusses why, despite substantial efforts, it was never realized.

Organizations for influencing politics and public opinion

The Swedish information agencies, which officially were separated from the peak organizations *Svenska Arbetsgivareföreningen* (The Swedish Employers' Association, SAF) and *Sveriges Industriförbund* (The Association of Swedish Industries) during the 1940s, lived on long after the debate on the planned economy subsided. Still, research on these organizations has been scarce, partly having to do with an earlier lack of archive material. Until now. *Svenskt Näringsliv* (the Confederation of Swedish Enterprise) has given access to the archive of *Näringslivets Fond* (The Swedish Free Enterprise Fund, 'the Fund'), thus enabling this article to be written.⁴ Originally founded in 1940 to safeguard the ownership of the conservative morning paper *Svenska Dagbladet*, the Fund soon became a hub for promoting a business-friendly agenda during the rest of the century. The archive also contains material from a number of other organizations connected to the Fund, providing a unique opportunity to broaden our empirical understanding of how business interest associations tried to influence politics and public opinion in a corporatist setting during the post-war decades.

Here, 'corporatism' refers to organized interests participating in political decision-making processes. The hallmark of Swedish corporatism was the principle freedom from direct state intervention on the labour market, guaranteed by the parties on the labour market in the so-called *Saltjöbadsagreement* from 1938.⁵

One result of the earlier lack of access to or awareness of this archive material is that scholars using only records from the peak organizations, such as Peter Swenson, has concluded that Swedish business was, by and large, satisfied with having the Social Democrats in power during the 1950s and 1960s.⁶ His description of employers that welcomed collective bargaining agreements, a strong centralized counterpart, and several welfare reforms is, of course, not wrong. But he neglects that much of business resistance against the Labour Movement was coordinated outside of the peak business organization, at least until the 1970s. According to Swenson, the overall success of the Swedish Labour Movement can be attributed to 'their considerable restraint in divisive parliamentary exploits – so as not to inflame capitalist opposition'.⁷ As this paper will show, it was the 'parliamentary exploits' of the 1940s that drove business ideological resistance, including attempts to formulate a programme of its own. This paper will also argue that Swedish capitalists were not so much 'against markets' as they were ambivalent towards markets during the 1950s and 1960s.

Swenson's main point is that the 'politics of reform [...] is founded on *cross-class alliances*'.⁸ As this paper will show, such cross-class alliances did indeed grow stronger during the 1950s and 1960s and lessened organized business' sense of urgency for an ideological programme. The point, however, is that the strength of the alliances varies over time. In the Swedish case, during times of a more radically inclined Labour Movement, such as the 1940s and 1970s, business stepped up its ideological confrontation.⁹

Using the newly opened archives, this paper also establishes the depth of cooperation between Nordic information agencies. Previous research has concluded that 'not much is known [...] except that some cooperation did exist', and that it 'never went beyond partial cooperation'.¹⁰

Business and labour relations in Sweden, 1945–1965

Much of the PHM campaign was coordinated through *Näringslivets Fond* and its operational arm, *Byrån för Ekonomisk Information* (The Bureau for Economic Information). According to the Fund's bylaws, it was to 'advance the freedom of enterprise and other important common causes for private business'. Entry and membership fees for the Fund were large enough to require backing from a major Swedish company. Of the 30 trustees in 1944, seven were on the board of *Industriförbundet*, three were on the board of SAF, and another six on both these boards. Among these were also both the chairman and vice chairman of *Industriförbundet* and the joint chair of SAF and the Fund, Gustaf Söderlund. These 30 also sat on a total of 260 company boards.¹¹ Of Sweden's 28 largest joint-stock companies in industry, shipping, and trade, 21 were members of the Fund in 1960.¹²

In 1944, the Fund had translated and paid for the Swedish publication of F. A. Hayek's *The Road to Serfdom*, and, as previous research has noted, the PHM campaign was run on distinct Hayekian arguments. A more planned economy would ultimately lead to dictatorship. However, as Leif Lewin points out, similar ideas had been expressed in Sweden by well-known economists Gustav Cassel and Eli Heckscher well before *The Road to Serfdom* was published; especially Heckscher's importance for liberal economic thought, both in Sweden and abroad, should not be underestimated.¹³ According to Philip Mirowski and Dieter Plehwe, his book, *Old and New Economic Liberalism*, from 1921, came to be one of the cornerstones of what would later be called neoliberalism.¹⁴ Heckscher was also a member of the Mont Pelerin Society, 1947–1950, an organization founded by Hayek for those who 'see danger in the expansion of government, not least in state welfare, in the power of trade unions and business monopoly, and in the continuing threat and reality of inflation'.¹⁵

The debate intensified when parliament passed a bill in 1947 which substantially raised taxes on companies, inheritance, and wealth.¹⁶ The SEK 24.8 million (roughly EUR 50 million in present value) that business collected through the secret anti-tax lobby organization, *Garantistiftelsen 1946*, to finance the business-friendly press and non-socialist parties did not succeed in overturning the government. The Social Democrats remained in power after the 1948 elections even though they and the Communist Party lost 10 seats in the lower chamber.¹⁷

However, although the taxes remained, much of the post-war programme was shelved. This could have been due to the business campaigns, but also that the planned economy proposals were aimed at mitigating an anticipated downturn after the war which never came. Low interest rates and increased purchasing power proposed by the programme seemed to be the wrong medicine in the inflationary economy of the late 1940s.¹⁸

Relations between the government and business improved after the elections. The so-called 'Thursday club', during which business and government representatives could meet for deliberations under the leadership of the new finance minister Per-Edvin Sköld, got a symbolic meaning. His predecessor, Ernst Wigforss, 'the planned economy theoretician', left government in 1949, and the other leading economic thinker in the party, Gunnar Myrdal, was forced to leave two years earlier because of criticized trade agreements with the Soviet Union.¹⁹ These talks were eventually replaced by informal meetings at the prime minister's representational estate, Harpsund, with leading people in industry, government, and interest organizations between 1955 and 1964. From 1962, a more formal arrangement was put in place with *Ekonomiska planeringsrådet* (The Council for Economic Planning) at the ministry of finance.

Francis Sejersted argues that organized business in both Norway and Sweden pursued a 'double strategy'. While the corporatist channels were used for political compromise, there was an underlying ideological but less visible struggle over who should control the capital which led business to build up capacity for information work.²⁰

In the latter part of the 1950s, the ideological conflict flared up again as SAF openly sided with Liberals and Conservatives on supplementary pensions. Instead of a compulsory state-run system with large pension funds, the employers proposed a decentralized fund administration based on premium reserves negotiated through the collective agreements. This way the bulk of the pension savings could be used by firms, something which the government opposed as it sought control of the capital market. Even after a referendum and an early election, the political situation remained locked, but eventually a renegade Liberal MP voted for the government proposal in 1959.²¹

The period 1950–1970 was also characterized by an unprecedented economic upswing. With a peaceful labour market and an increasingly ambitious social reform agenda, the so-called Swedish model gained international attention. Employers did not oppose the Trade Union Confederation's idea of a solidary wage policy, meaning that less-productive industries had to pay the same wage increases as the exporting industry as it reduced internal competition for manpower and transferred labour to high productivity companies. This so-called Rhen-Meidner model intended to reduce overall demand for wage increases, keep inflation in check, and even out-wage differences between different groups of wage earners. As a consequence, companies with low profitability would shut down.²² With an active labour market policy from the state, those laid off would be encouraged to move to other parts of the country, something which SAF considered 'a self-evident issue', according to its deputy manager and economist Karl Olof Faxén.²³ Also, SAF had traditionally strived for uniformity in wage setting, even before the Rhen-Meidner model.

In search of an ideology for business

Origins

As Christer Ericsson (and others) have noted, the economic crisis and financial scandals of the late 1920s and early 1930s pushed back economic liberalism. The failure of the market should now be compensated by public measures and political regulation.²⁴ In Sven Anders Söderpalm's *Direktörsklubben* (*The Executives' Club*), he depicts the first information agency in Sweden. It was founded in 1933 to advance the interests of the Swedish exporting industry and consisted of the CEOs or chairmen of the five (later six) major companies within the engineering industry. *Direktörsklubben* took it upon itself to write a political programme of action for the Liberals and the Conservatives in the mid-1930s with the assistance of industry.²⁵ The programme, which, among other things, rested on the protection of private property, sound public finances, and limits to government, was discussed with the party leaders but no agreement could be made. The organization was shut down in 1953 and Niklas Stenlås concludes that it never played any significant role in affecting public opinion as it was 'too small and somewhat outside the mainstream of Swedish business political activism'.²⁶

Instead, the trustees of *Näringslivets Fond* continued discussing 'a positive program from business, that in some respects could correspond to and counterbalance' the post-war programme. The task of formulating the programme was given to the Bureau for Economic Information, and its founder, Per Wenander, sought inspiration in liberal economist Wilhelm Röpke's writings.²⁷ Röpke later became President of the Mont Pelerin Society.²⁸

Several drafts were made, but the 'attempts cannot be regarded as directly successful', the Director of the Bureau, Tore Sellberg, stated five years later. For Sellberg, who had been an anarchist in his youth, the basic principles of the programme rested on an analysis inspired by the Austrian economic school, in which the primary purpose of business was to satisfy consumption needs whilst preserving the greatest possible freedom for the individual. He gave this a name of its own: 'consumerism' ('*konsumentism*'). This should be achieved through free price formation, competition, free trade, private ownership, and so forth. The market economy could, however, be complemented and corrected in areas such as defence, policing, and health care.²⁹

In Sweden, there were others who also planned to write a programme for business. In 1948, the Fund had financed the start of *Studieförbundet Näringsliv och Samhälle* (Centre for Business and Policy Studies, SNS) at the request of a group of young businessmen inspired by the Committee for Economic Development in the United States, an organization that facilitated cooperation between businessmen and scientists. While the already-existing *Industrins Utredningsinstitut* (Industrial Institute for Economic and Social Research, IUI) focused on deeper investigations, SNS would be more of debate forum. SAF and *Industriförbundet* had jointly founded IUI in 1939, but it became a research institute in its own right and not a propaganda organ for business.³⁰

Objective research and dialogue rather than confrontation was the motto of SNS. This was another approach to the one taken by *Näringslivets Fond* during the 1940s' debate over the planned economy.³¹ One reason behind the Fund's willingness to provide money was probably SNS' intention to come up with a programme for business. At the first major SNS conference in Tylösand, one of the founders, Tore Browaldh, stated:

It must be admitted that that the businessman's task of defending free enterprise is not too easy [...] He does not know *what* to defend [...] He lacks a positive program. The socialist movement has had ideas that has enthused the masses. Ideas can only be fought with ideas. A successful struggle for the free [enterprise] system cannot be pursued without ideas that can be understood and embraced by the business men, which then can be conveyed to the broad classes of society.³²

Although Browaldh came from a well-known banking family, he had actually worked with leading Social Democrat Gunnar Myrdal during and after the war, first as an assistant during Myrdal's visits to the United States and then as adjunct secretary in the government's Committee for Economic Post-War Planning.³³

His approach to the business programme was significantly Keynesian. Business should adhere to principles of full employment and a business cycle adjusted fiscal policy. Business ought to accept income redistribution through the tax system, state ownership in certain areas, and universal welfare policy.³⁴

Dealing with competition and wage setting

Since 1947, people involved in promoting business interests in Sweden had been participating in international conferences with similar organizations. At one such conference, held in Copenhagen for Nordic organizations in 1950, the representatives agreed on the need for an 'Alternative' in all the participating countries and, henceforth, the work should be coordinated among the organizations.³⁵ Its aim was no less than a 'liberal alternative to the planned and socialistic politics'.³⁶

Representatives from *Näringslivets Fond/Byrån för Ekonomisk Information* continued to discuss the programme with their Nordic counterparts. Christian Gandil from Denmark, a member of the Mont Pelerin Society, represented *Erhvervenes Oplysningsråd*. Trygve de Lange, a staunch anti-socialist with close ties to the Conservative Party in Norway, represented *Libertas*. *Ekonomiska Informationsbyrån* in Finland had different representatives.³⁷

At a conference in Helsinki in 1952, the Fund's director, Uno Murray, stated that 'the information- and propaganda work in the different countries is best coordinated if there is a common ground [...] an approved program to follow'. It turned out that this was quite difficult to achieve. Two of the main issues were competition and the role of labour market organizations. Murray stated that 'competition is really nothing good in itself. We don't want everyone's war against everyone'. Sellberg, on the other hand,

‘claimed an in all regards free competition – let it be everyone’s war against everyone’. The Finnish host, Nils Svartström, summed up the discussion: ‘in essence we celebrate free competition, but it’s ruined not only by the planned economy, but also by business itself through an agreement system [*avtalsystem*] that goes too far’. The second major issue regarded wage formation. Murray meant they could not recommend regulated price controls in this area and free competition in the rest. Sellberg wondered if ‘one could maintain central wage negotiations and at the same time adhere to the free market system?’, and he was supported by Gandil from Denmark. ‘This is a very unpleasant dilemma we find ourselves in [...] Some of those that shall approve our program as a program for business are deeply involved in this issue’, Murray concluded.³⁸

The group met again in Oslo in June 1952 for further discussions. John Egeland, director of the Norwegian Shipping Association and an important figure in the Norwegian information work, wondered if they ought to replace the word ‘capitalism’ with Sellberg’s ‘consumerism’. For his part, Egeland believed that the word ‘neoliberalism’ was a good description.³⁹

The Yxtaholm conference

In August 1952, top people from the Nordic peak business associations and industry met at SAF’s conference venue, Yxtaholm, to discuss the Alternative. Trygve de Lange’s draft stated that ‘business and the non-socialist front has been weak for many years because it has not been able to produce a clear alternative in the area of economic policies’. Specifically, he asked the conference for guidance on whether or not the state should prohibit all agreements that hampered free competition and to what extent price controls should be accepted on the labour market.⁴⁰

That these two issues were hard to resolve for the programme organizers should not come as surprise. First, wage setting was an issue for the peak organizations and the first central agreement in Sweden was reached between the Employers’ Association and the Trade Union Confederation in 1956.⁴¹ Second, cartels were a common feature of business life during this period, although a US-inspired debate on its downsides picked up after the war.⁴² Some 40% of the total domestic production in Sweden is estimated to have been under cartel control in 1935. From 1946, all cartels, except those that were international agreements, were registered (but not banned) by the state. Peter Sandberg writes: ‘Generally speaking, the business interests were suspicious of further legislation and believed that self-regulation was the best way to increase competition’. The legislation was amended and tightened during the following decades, but cartels were not banned until the 1990s.⁴³

Tore Browaldh, deputy director of SAF, was the first to speak up at the conference. Considering the conflicting interests within business, was it possible to unite behind a common programme, he wondered? Would this programme be accepted by the masses? It had to be politically feasible, meaning that business had to listen to the ‘demands for security, full employment and levelling of income’.⁴⁴

Anker Lau, a Danish parliamentarian and merchant, believed that it would be difficult to draw up a common Nordic manifesto, considering the different structures of trade and industry in the various countries. Nonetheless, the work ought to be followed through, an opinion shared by most of the participants. The subsequent discussion sprawled and, unfortunately for de Lange, the conference could not agree on any specific issues or on a manifesto or programme at large. Instead, the smaller group should continue working with support from a 'contact man' from each country's business sector. The Swedes chose Tore Browaldh, the Finns Nils Svartström, and the Norwegians Christian Erlandsen. All of these worked for their respective Employers' Associations. The Danes choose Anker Lau.⁴⁵

Programme or manifesto?

Each country now proceeded with writing their own texts, which were then discussed at inter-Nordic conferences, still with the idea of trying to get a common programme in place. Parts of the work were outsourced to academics: the Finns had professor Hugo E. Pipping make a draft and, in Sweden, professor Hugo Hegeland was given the task.⁴⁶ By late 1952, the Swedes had come up with a chapter outline drafted by Curt-Steffan Giesecke from SAF, who had now joined the working group.⁴⁷ The disposition had swelled to 13 chapters, in which the last one should be the 'programme of action' [*handlingsprogram*]. Other chapters included an historical review, competition and monopoly problems, the role of foreign trade, and currency markets, among others. The chapter 'Our Goals' had four points: freedom, progress, security (*trygghet*), and income levelling.⁴⁸

Jan Wallander wrote the chapter on competition and monopoly, which was natural as he had worked with the SNS report on limits to competition, published in 1951.⁴⁹ The report had suggested ('although we expressed ourselves carefully') a law against cartels. According to Wallander, the proposal was anathema to a large part of the circle that financed SNS through *Näringslivets Fond*.⁵⁰

At a meeting in Helsinki in 1954, the inter-Nordic contact group worked out a five-page 'Basic View' (*Grundsynen*) of what the programme should look like. It stated that:

The economic freedom is a foundation for the cultural and political freedom. That is why restrictions of it must be opposed regardless of whether they derive from state ownership, public regulation or from private monopolies, cartels or trusts. State ownership can in principle only be permitted when it comes to tasks that cannot be fulfilled by private enterprise and when free competition is not possible.⁵¹

However, in a modern society, it was also the public's concern to protect the citizens from the consequences of illness, disability, unemployment, and old age. Those needs were, however, 'best met in a society with steady economic progress'.

The last conference

The last purely inter-Nordic conference was held in Norway in October 1956. By then, the Norwegians had published their own manifesto. According to Uno Murray, one of the reasons that the Swedes had been unable to come up with anything was the major information campaign that claimed 'all available resources' before the 1956 national elections. Murray was still in favour of continuing the work and stated that the 'Swedish group has always been clear that the so called "alternative" should result in determined recommendations'.⁵² However, Gandil and Sellberg, who had been given the task to finish the Nordic programme, wrote to the members of the contact group to ask if a real wish for a manifesto existed and what the plan was once it was written.⁵³

Giesecke replied that he had always been sceptical of any business *manifesto*, as it demanded a high degree of precision, which was probably impossible to obtain. Instead, he wanted a *programme* that laid down the basic view of business in economic matters. 'It is business and the businessmen's main task to produce and distribute, not to come with general statements and it is by showing how political measures affect their conditions, that you get people to listen'.⁵⁴ The Norwegians wanted to continue working on a Nordic manifesto, whilst the Danes now proceeded with a domestic solution.⁵⁵

The work that followed in the Swedish group during 1957 did not emphasize defending free enterprise as such but was more concerned with current economic issues. In April, Murray sent out a memo to the group in which he suggested seven reforms: limits to public spending, the restitution of the housing market, eliminations of hindrance to savings, a functional credit and capital market, market-based industrial localization, dealing with external disruptions to the economy, and economic development and international trade.⁵⁶

Browaldh also gave a speech on business ideology, which SNS published together with some of the debate contributions, something which both Lewin and Ullenhag has written about.⁵⁷ In opposition to arguments brought forward during the planned economy resistance 10 years earlier, Browaldh argued that business needed to change its views of both reality and the intentions of the Social Democrats. Lewin means that the discussion was a symptom of 'new forms for contact and collaboration between state and business' that had emerged after 1948.⁵⁸ There were, however, people within the business community that opposed Browaldh's lack of ideology and his idea that business needed to adapt to the social changes.

The task, Karl Erik Gillberg from The Merchants' Association argued, was to get the public opinion to accept the ideas of business, rather than try to make these ideas more acceptable. Gillberg also meant that economic liberalism already provided business with an ideology. Harald Nordenson, who was on the board of *Näringslivets Fond* from 1940 to 1963, and a member of parliament between 1938 and 1953 for the Conservatives, believed that the ideological divide between individualism and collectivism could not be overlooked. For Nordenson, it also seemed more logical that

businessmen should advance their views through the political parties rather than try to develop an ideology of their own.⁵⁹ Bertil Kugelberg, SAF's Managing Director, thought it would be good idea if businessmen took a greater interest in politics, but deemed it difficult for business to work out a detailed programme.

Both Kugelberg and Nordenson were also on a committee consisting of leading business people and conservative politicians that organized a campaign to raise awareness among the general public concerning the conditions for business prior to the 1956 election. Christer Ericsson has written about the campaign. He notices that, although business could agree on central issues such as private ownership and low taxes, it was more difficult to get behind a programme that could unite the different interests within business as a whole.⁶⁰

An abrupt turn

The whole idea of a business manifesto or programme seemed to fade away, at least in Sweden, until 1965, when *Näringslivets Fond* and SNS were invited to the first 'International conference of organisations concerned with free enterprise and the market economy', to be held at Libertas conference venue, Elingaard, in Norway. Organizers were Aims of Industry in London, *Aktionsgemeinschaft Soziale Marktwirtschaft* in Heidelberg, International Freedom Academy (INFRA) in Vienna, and Norwegian Libertas. The idea was to discuss different methods for promotion of free enterprise and then release a manifesto to the press.⁶¹

The manifesto stated that:

The full success of free enterprise depends on its acceptance throughout Europe and the world: the growth of state control and ownership in one country can no longer be disregarded in any other. [...] The growth of individual freedom, the development of industrialization in the western world and the present unprecedently high standard of living were achieved under free enterprise but today these results are severely threatened by the doctrine and policies of State power and intervention incited during the wars and furthered by the wave of nationalization and central planning that has swept over many European countries since World War II.⁶²

The organizers had hoped for the Fund to be part of the official programme, but the invitation was turned down. Uno Murray motivated this by claiming that:

Within *Näringslivets Fond* we base our values on the need of a societal economy that to a considerable extent [*i väsentlig mån*] is founded on private business and free competition on free markets. But things are considerably more complicated than what could be concluded from the manifesto draft we received. In a modern society it is difficult to draw a clear line for what can be tolerated of state influence over the economy. From our perspective

we have always been sceptical of the thought of such manifests [...] it is up to the political parties to account for their values through public appeals. *Näringslivets Fond* is neutral in party politics and acknowledges as its task on such basis to promote a matter-of-fact treatment of concrete issues [...] We do not wish to participate in an action that could be misinterpreted as a departure from these principals.⁶³

SNS also turned down the invitation without specifying why. Considering a longer perspective, Murray's answer does seem odd. Ten years earlier he and his organization had been deeply involved in trying to put together a business manifesto, not unlike the one now proposed. Twenty years earlier this was exactly what the Fund had been fighting for. So, what laid behind Murray's attitude?

Norwegian organizer Trygve de Lange had his own explanation. In a 1966 news-letter from *Libertas*, he stated that:

In Sweden unfortunately, the business information work is totally shut down, and has been for many years. [...] One of the reasons is that many have found it wise to calculate with the system and perhaps stretched themselves too far in the cooperation with government and authorities [...] And so the private enterprise has become the weaker part.⁶⁴

Although this was an exaggeration, de Lange was right in the sense that cooperation between business interests and the state had deepened in Sweden during the previous two decades.

Also, in 1963, Tore Sellberg left the Bureau for Economic Information, which was then shut down.⁶⁵ Sellberg had been the one who most clearly had been in favour of a value-driven business manifesto in defence of free enterprise.

Lastly, there could also have been personal considerations that made Murray sceptical of the invitation. In 1960, the Norwegian conservative party *Høyre* broke with *Libertas*. Leading people in *Høyre* meant that the party's independence was threatened by *Libertas'* many political proposals, including alternative state budgets.⁶⁶ It is possible that the conservative-leaning *Näringslivets Fond* in the mid-1960s found de Lange too controversial a figure.

Swedish journalist Arvid Fredborg was also on the board of the International Freedom Academy in Vienna. He did not have an entirely problem-free relationship with the Fund, which had financed his conservative political magazine *Obs!* between 1945 and 1953. For its entire lifetime, *Obs!* had economic problems and the Fund had to constantly pitch in more money.⁶⁷ It could be that Murray considered Fredborg an unreliable character.

A final attempt by SNS

In the wake of radical Leftism in the late 1960s, there was actually yet another attempt by SNS to formulate a programme for business that would show the 'breadth, humanism and social responsibility of business'. Members of the discussion group consisted of Volvo's Chairman Pehr G. Gyllenhammar and IKEA's Ingvar Kamprad, among others. They did not manage to come up with a programme. According to the group's secretary, Olle Wästberg, those involved showed a total lack of ability to compromise. The group was gradually dissolved in the mid-1970s.⁶⁸

Discussion

Following the intense debate on nationalization and taxation in Sweden right after the Second World War, business interests wanted to formulate an ideological programme that would counteract the Labour Movement's ideas of a more planned economy. Because business organizations in the other Nordic countries had the same ambition, the programme work evolved into an inter-Nordic project from around 1950. It was supposed to be an alternative to social democratic ideology while at the same time supporting business PR activities and uniting businessmen. Despite serious efforts, the programme was never realized and the last inter-Nordic conference on the matter was held in 1956. There were several reasons behind the failure.

Cartels

The main issue that the programme-makers never managed to solve was how to view cartels. At the end of the day, the programme had to be approved by the top people of the business peak organizations. As employers, they concluded collective wage agreements with their counter parties from the trade unions. In effect, this was nothing less than a cartelization of the labour market and a price control for wages. As business men, their companies were often involved in private cartels. For the authors of the programme, this was challenging. How could they propose free markets when their own organizations in practice participated in price regulation?

Niklas Olsen, who has written about *Erhvervenes Oplysningråd* and its founder Christian Gandil, argues that the organization's failure to get any real influence in Danish politics was its inability to get non-socialist parties and all major representatives of the trades and business to mobilize around free market liberalism. Instead, they choose pragmatism over ideological conflict.⁶⁹ The same conclusion holds regarding the Alternative. Major business interests in the Nordic countries simply had no real wish to alter the seemingly quite well-functioning economic order that developed in the 1950s and 1960s. When the group assigned with writing the Alternative sought guidance from the top brass in the peak organizations, no clear advice was given. Leading people within SAF, such as Bertil Kugelberg and Curt-Steffan Giesecke, remained sceptical of the possibility to work out a detailed programme.

Furthermore, the group members had recurring problems with deciding on whether they were writing a shorter type of manifesto, based on an ideological approach to free enterprise, or if the end product should be more of a programme with business views on current economic issues such as inflation.

Lowered threat level

Business interests perceived the threat of socialization after the war to be real enough to spend considerable amounts of resources on campaigning for free enterprise and ideological resistance. This threat, however, diminished during the 1950s and at least for the first half of the 1960s. Industry was not nationalized and various new institutions for discussions between business and the state and the Labour Movement were activated, most notably at the prime minister's estate, Harpsund, in Sweden. Thus, the sense of urgency for a programme that fiercely defended free enterprise did not seem as high in 1955 as it had in 1945. The cross-class alliance that Peter Swenson describes grew firmer as the Labour Movement proved to be less radical than business had feared after the war. But, as the debate on supplementary pensions in Sweden showed, the ideological conflict was by no means gone.

By 1965, the director of *Näringslivets Fond* had become extremely sceptical of any such programme or manifesto. He argued that it should be up to the political parties to take the ideological debate, not private enterprise.

Also, the 1950s and 1960s were the heydays of the so-called Swedish Model. GDP growth was at an average of 3% per year. Surely this must also have contributed to a lower sense of urgency in defending free enterprise and instead created a need to focus on how to come to grips with an economy with clear signs of overheating, such as fast rises in wages and prices.

Hayek or Keynes?

Maiju Wuokko has, as one of many, noted that there was an ongoing struggle, a 'war of ideas', as economist Friedrich Hayek put it, between proponents of free markets and economic interventionism in the West during the post-war decades.⁷⁰ This paper has stressed the diverging opinions on basic economic views among those involved in writing the programme. At least initially, the main idea was to defend the notion of free enterprise. The fear was that nationalization of industry, albeit only a small part to start with, would eventually lead to totalitarianism, in line with the arguments proposed by Hayek and others. Over time, and especially when Tore Browaldh from SNS became involved, the project turned in a more Keynesian direction, arguing for full employment, redistribution of production results, and proposing pragmatism rather than ideological confrontation.

In his memoirs, Jan Wallander writes that business as a whole was too heterogeneous and had too many diverging interests to ever be able to unite behind a programme. He also asks himself why the young non-socialist economists of the time failed to come up with a business programme centred around a 'market economic alternative'. Given their view on free competition, it should have been close at hand.

But during the 1950s and 1960s, Keynes was the ‘obvious starting-point for the scientific discussion’. It was not until the foundation of Timbro in 1978 that the ‘time was ripe for a different view’ and the ‘market economic alternative’ could be seriously debated.⁷¹

Under the leadership of Sture Eskilsson from the Employers’ Association, Timbro became the new market-oriented think tank of *Näringslivets Fond* as SAF geared up to fight the Labour Movement over the idea of wage earner funds in the late 1970s. Eskilsson’s first job had been at the Bureau for Economic Information as one of ‘Tore’s [Sellberg] boys’.⁷² Although neoliberal-inspired PR businessmen, such as Trygve de Lange, Christian Gandil, and Tore Sellberg, lost the battle over business ideology in the 1950s, it is obvious that, in the long run, Keynes was dead.

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Notes

- 1 Sveriges socialdemokratiska arbetareparti, *Arbetarrörelsens efterkrigsprogram*, 30. All translations to Swedish are my own.
- 2 For Denmark, see Olsen, ‘Second-Hand Dealer’, 146. For Norway, see Sejersted, *Age of Social Democracy*, 312–13. For Finland, see Wuokko, *Business in the Battle of Ideas*. For a detailed debate on the extent of post-war economic planning in Norway, see the debate between Arild Saether/Ib Eriksen and Olav Bjerkholt in *Econ Journal Watch* 11(1,3).
- 3 This term comes from Olsen, ‘Second-Hand Dealer’, 139.
- 4 The Confederation was founded in 2001 when the Employers’ Association and Industry Association merged. This paper relies largely on archive material belonging to *Näringslivets Fond*. By looking at the archive registers belonging to SAF and *Industriförbundet*, it does not seem to have any more material related to the Alternative. It could be, however, that more information can be found in other Nordic archives and in the archives of individual business leaders. A future research task could be to look at Tore Browaldh’s archive (deposited by *Svenska Handelsbanken* at CfN) and Curt-Steffan Giesecke’s archive (F 51c in the SAF-archive at CfN).
- 5 Larsson, *Näringslivets historia*, 435; Berg and Traxler, *Handbook of Business Interest Associations*, 300.
- 6 Swenson, *Capitalists against Markets*.
- 7 Swenson, *Capitalists against Markets*, 296.

- 8 Swenson, *Capitalists against Markets*, preface, viii.
- 9 Nordlund, *Att leda storföretag*, 300; Linderborg, *Socialdemokraterna skriver historia*, 245.
- 10 Stenlås, 'Rise of Political Activism', 278; Olsen, 'Second-Hand Dealer', 156.
- 11 Stenlås, *Den inre kretsen*, 79–80, 87–8.
- 12 Styrelseprotokoll 1962-11-16, bil 7, A2:5, Näringslivets Fond, CfN.
- 13 Lewin, *Planhushållningsdebatten*, 271–2.
- 14 Mirowski and Plehwe, *Road from Mont Pèlerin*, 10.
- 15 Carlson, 'Heckscher's Ideological Migration', 94. Quote from Mont Pelerin Society webpage: <https://www.montpelerin.org> (accessed 6 September 2017). An interesting aspect here is that *Näringslivets Fond* changed its by-laws and name to Ratio in 2004 in order to become an independent institute conducting research on the conditions of enterprise. In 2017, Ratio hosted the Mont Pelerin Society in Stockholm. See Ratio website: <http://ratio.se/mps-2017> (accessed 6 September 2017).
- 16 Nordlund, *Att leda storföretag*, 328–9.
- 17 Styrelseprotokoll 1947-01-10, Garantistiftelsen 1946, Näringslivets Fond, CfN; Ullenhag *I takt med tiden*, 49.
- 18 Stenlås, *Den inre kretsen*, 349–50; Lewin, *Planhushållningsdebatten*, 340–1.
- 19 Lewin, *Planhushållningsdebatten*, 360–1.
- 20 Sejersted, *Age of Social Democracy*, 309–11.
- 21 Nycander, *Makten över arbetsmarknaden*, 126; Larsson, *Näringslivets historia*, 437–42; Stråth, *Mellan två fonder*, 54–5.
- 22 Lundh, *Spelets regler*, 195–207; Nycander, *Makten över arbetsmarknaden*, 87, 139; Ruin, *I välfärdsstatens tjänst*, 264–77; Östberg, *I takt med tiden*, 118–19.
- 23 Sejersted, *Age of Social Democracy*, 222.
- 24 Ericsson, *Kapitalets politik*, 96–7.
- 25 Söderpalm, *Direktörsklubben*, 16, 31, 36–7.
- 26 Stenlås, 'Rise of Political Activism', 274.
- 27 Protokoll 1945-03-13, Protokoll Huvudmännen 1945–1950, Näringslivets Fond (Timbros deposition), CfN. See also bilaga 2.
- 28 Mirowski and Plehwe, *Road from Mont Pèlerin*, 19.
- 29 P.M Ang. utformningen av ett näringspolitiskt program, B1:2, Näringslivets Fond, CfN; Eskilsson a, *Från folkhem*, 36.
- 30 Ullenhag, *I takt med tiden*, 22; Carlsson and Lundahl, *Ett forskningsinstitut*, 195.
- 31 Ullenhag, *I takt med tiden*, 25–8.
- 32 Browaldh, *Gesällvandring*, 75–6.
- 33 Ullenhag, *I takt med tiden*, 17.
- 34 Noteringar för diskussion kring SNS' näringspolitiska program, Kap 1, F2:1, Näringslivets Fond, CfN.
- 35 P.M Ang. utformningen av ett näringspolitiskt program, B1:2, Näringslivets Fond, CfN.
- 36 P.m angående arbetet på ett liberalt alternativ [...], F2:2, Näringslivets Fond, CfN.

- 37 Olsen, 'Second-Hand Dealer', 149, 151; Norsk Biografisk Leksikon, 'Trygve de Lange' (by Bonde, Arne), https://nbl.snl.no/Trygve_De_Lange (accessed 5 February 2018).
- 38 Koncentrerat referat av förhandlingarna vid det Nordiska Kontaktmannamötet i Helsingfors den 11 och 12 februari 1952, F2:2 Alternativet 1950-1953 + u-å, Näringslivets Fond, CfN.
- 39 Referat fra kontaktmannsmotet på Elingaard 13, 14 och 15, juni 1952, Svenska programarbetet, F1:1 Utredningar, Näringslivets Fond, CfN; Olsen, 'Second-Hand Dealer', 156. Note that Olsen misspells Egeland as 'Englund'.
- 40 P.m angående arbetet på ett liberalt alternativ [...], F2:2, Näringslivets Fond, CfN.
- 41 De Geer, *Arbetsgivarna*, 110.
- 42 Wallander, *Livet som det blev*, 238.
- 43 Sandberg, 'Cartel Registration in Sweden', 214.
- 44 Anteckningar vid konferensen i Yxtaholm den 22 och 23 augusti 1952, F2:2, Näringslivets Fond, CfN. For more information on Browaldh, see Nationalencyklopedin, Tore Browaldh, <https://www.ne.se/uppslagsverk/encyklopedi/lång/tore-browaldh> (accessed 14 June 2018).
- 45 Representanter från de nordiska länderna för samarbete i fråga om ett 'näringslivets program', Svenska programarbetet, F1:1, Näringslivets Fond, CfN.
- 46 Anteckningar. Från sammanträde i Stockholm den 14 december 1953 ..., 'Alternativet' Promemorior enligt svenska dispositionen, F2:3, Näringslivets Fond, CfN; P.M. angående konferensen på Elingaard i oktober 1956, F2:4, Näringslivets Fond, CfN.
- 47 Giesecke was deputy director of SAF from 1954 and director from 1966. Project Runeberg, *Vem är det: svensk Biografisk handbok 1969*, <http://runeberg.org/vemar-det/1969/0327.html> (accessed 25 September 2017).
- 48 Svenska Gruppen Disposition till ett näringslivets program, Alternativet: Promemorior enligt svenska dispositionen, F2:3 Alternativet 1952-1954, Näringslivets Fond, CfN.
- 49 Ullenhag, *I takt med tiden*, 60; F1:1 Utredningar, Näringslivets Fond, CfN. Wallander was managing director of IUI (today named IFN) in 1953–1961. see Institutet för Näringslivsforskning, Historik, https://www.ifn.se/om_ifn/historik/tidslinje (accessed 14 June 2018).
- 50 Wallander, *Livet som det blev*, 239.
- 51 GRUNDSYNEN, Manifest Tore Sellberg, B1:1, Näringslivets Fond, CfN.
- 52 P.M. angående konferensen på Elingaard i oktober 1956, F2:4, Näringslivets Fond, CfN. See also Ericsson, *Kapitalets politik*, 101–4, for a description of the 1956 campaign.
- 53 Brev från Tore Sellberg och Christian Gandil januari 1957, Alternativet Manifestfrågan, F2:5, Näringslivets Fond, CfN.
- 54 Curt-Steffan Giesecke brev till Tore Sellberg 23 januari 1957, Alternativet Manifestfrågan, F2:5, Näringslivets Fond, CfN.
- 55 Trygve de Lange brev till Tore Sellberg 25 januari 1957 and Anker Lau brev till Christian Gandil 30 januari 1957, Alternativet Manifestfrågan, F2:5, Näringslivets Fond, CfN.
- 56 Alternativet - handlingsprogram, F2:1, Näringslivets Fond, CfN.

- 57 Herz, *Ideologi för näringslivet*; Ullenhag, *I takt med tiden*, 73–7; Lewin, *Planhushållningsdebatten*, 377–83.
- 58 Lewin, *Planhushållningsdebatten*, 383.
- 59 Herz, *Ideologi för näringslivet*, 44, 60, 67. On Nordenson's career, see Nationalencyklopedin, Harald Nordenson, <http://www.ne.se/uppslagsverk/encyklopedi/lång/harald-nordenson> (accessed 22 September 2017). For more on Nordenson's view on ideology, see Ericsson, *Kapitalets politik*, 62–3.
- 60 Ericsson, *Kapitalets politik*, 101–3.
- 61 Invitation, F3:5, Näringslivets Fond, CfN. Aims of Industry was founded in 1942 'to campaign for free enterprise'. Libertas was founded in 1947 'with the objective of working for free enterprise'. INFRA worked for 'the promotion of free enterprise activities' (see letterhead in box F3:5). *Aktionsgemeinschaft Soziale Marktwirtschaft* was founded in 1953 to promote a social market economy (see the organization's web page: http://www.asm-ev.de/UeU_Historie.html; accessed 12 December 2017).
- 62 Manifesto, F3:5, Näringslivets Fond, CfN.
- 63 Konferens på Elingaard 1965, F3:5, Näringslivets Fond, CfN.
- 64 Til samtlige medlemmer og interesserte, F3:5, Näringslivets Fond, CfN.
- 65 Styrelseprotokoll 1963-02-20, bil 1, A2:5, Näringslivets Fond, CfN.
- 66 Furre, *Norsk historie 800-2000*, 239.
- 67 Styrelseprotokoll 1952-10-28, A2:3, Näringslivets Fond, CfN.
- 68 Ullenhag, *I takt med tiden*, 96–8.
- 69 Olsen, 'Second-Hand Dealer', 161.
- 70 Wuokko, 'Battle of Ideas', 1.
- 71 Wallander, *Livet som det blev*, 240, 331.
- 72 Eskilsson, *Från folkhem*, 33.

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 A2:3 Protokoll styrelsen
 A2:5 Protokoll styrelsen
 B1:1 Koncept och PM 1940-tal - 1969
 B1:2 Koncept och PM spridda år.
 F1:1 Utredningar
 F2:1 Alternativet 1948-1957

F2:2 Utredningar

F2:3 Alternativet 1952-1954

F2:4 Alternativet 1953-1957 + u.å

F2:5 Alternativet 1955-1957 + u.å

F3:3 Konferenser 1956-1965

Protokoll Huvudmännen 1945–1950 (Timbros deposition)

Garantistiftelsen 1946, Styrelseprotokoll

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