

Sweden: At The Turning Point?

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Abstract

The Swedish industrial relations system has undergone significant changes in the past decade, as employers have vigorously pursued a strategy to decentralise the collective bargaining process. Issues of co-worker agreements and pay equity dominated the 1993 bargaining round, with employers seeking to limit the unions' role to the enterprise level. Union membership levels, however, have remained high and there has been greater cooperation between blue and white collar union groups. The return of a Social Democratic led Government may see greater support for national agreements and representative forms of participation.

Introduction

The Swedish industrial relations system has long been characterised by strong labour market organisations, a centralised bargaining system, an active labour market policy, low levels of unemployment and a high labour market participation rate. For much of the eighties, the Swedish industrial relations system seemed relatively stable in the face of the pressures for change which were transforming industrial relations in many other countries. Major changes have, however, been placed on the agenda by SAF, the employers' organisation, and these generally had the backing of the former conservative-liberal governing coalition (which lost office in 1995). SAF is working hard to dismantle the centralised bargaining system which it helped to build. It aims to replace the old system with a new workplace-centred bargaining regime. The former Government tried not only to roll back the rights unions gained in the 1970s but also to destroy the very institutions which, since the thirties, have contributed so much to establishing a balance of power in the labour market.

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This paper describes the moves to dismantle the Swedish industrial relations system and analyses the stances taken by the main actors. It focuses on wage bargaining strategies and outcomes, with particular attention given to a new development, “co-worker” (medarbetare) agreements. The latter aim to cross the blue collar-white collar divide which had long been one of the characteristic features of the Swedish industrial relations system. While elimination of this now-outdated distinction appeals to unions and employers alike, the two sides have markedly different visions of where the new agreements fit. For the unions, the new agreements should form part of a modified, but still coordinated, bargaining system in which national agreements at the branch level set the parameters within which local negotiations take place. For the employers, the new agreements, to be struck at the enterprise level, are the old system’s replacement.

Background

The Swedish industrial relations system has been characterised as a system of “centralised self-regulation” (Kjellberg, 1992). The Swedish industrial relations system has indeed operated in a relatively centralised manner throughout the postwar period and such centralisation has been possible because of the high rate of affiliation amongst both employers and employees. Swedish Employer’s Federation (SAF) has long been the paramount employers’ organisation in the private sector, and from the outset it has been a highly centralised organisation able to compel member associations to follow central directives in wage negotiations. It has showed its preparedness to fine recalcitrant members for failing to follow SAF policy, as recently as 1988 when the bakers were fined for concluding an agreement which fell outside SAF’s guidelines. SAF’s centralised mode of operation in turn set the pattern for its public sector counterparts, the SAV representing the national Government as employer, the *Landstingsförbundet* representing county Government employers (the main employer in the health care sector) and *Kommunförbundet* acting for local Governments.

Sweden also boasts the highest rate of unionisation in the world, with 84 percent of the labour force belonging to unions. The largest, and historically the most influential, is the LO (the Swedish Trade Union Confederation) which currently has over two million members (out of a total labour force of around four million) in nineteen affiliated unions. The blue collar unions affiliated to LO are mainly organised along industry lines with only one union per company or work place. Since the 1940s, LO has exercised control over the common strike fund and, from the mid-fifties on, has normally

received a mandate to conclude a central agreement binding its private sector affiliates. The TCO (the Swedish Confederation of Professional Employees) is the largest trade union central council for white collar workers. Its twenty affiliated unions, which are organised along both industry and craft lines, have over one million members. Finally, SACO (the Swedish Confederation of Professional Associations) brings together twenty five unions, with a membership of 350,000 and organised according to the kind of post-secondary training received by the membership. Neither TCO nor SACO have had the same role as LO in wages bargaining but since the early seventies, negotiations have been conducted by bargaining cartels constructed along sectoral lines (private sector, national, county and municipal).

It would be wrong, however, to overemphasise the centralised nature of collective bargaining even in the heyday of the Swedish model. During the boom years, the general pattern was three to six agreements in which the LO-SAF agreement normally played a pace-setting function. These central agreements regulated the general terms and conditions of employment. Thus, employers agreed to certain wage increases in exchange for labour market peace for the remainder of the contract period but the central agreements did not provide a detailed description of who was to get what. They were content to specify the level of increase for the total wage bill, perhaps defining a minimum or average increase. The central agreements therefore had to be supplemented by branch and local level agreements. This system allowed a certain amount of wage drift (increases above the amount agreed at the central level) but, until the 1970s at least, employers generally considered the level tolerable – and less than an unregulated labour market would produce under conditions of full employment. It should also be noted that negotiations at the branch and local levels took place within the peace obligation incurred with the signing of the central agreements.

The “self-regulated” element of Kjellberg’s characterisation highlights the fact that Swedish state has played a relatively minor role in the industrial relations system. Certainly, industrial relations legislation dates back to 1906 when the first law on mediation was introduced but the main piece of labour legislation, prior to the 1970s, was the 1928 law on collective bargaining which established the system of labour courts for resolving disputes. There is also a public mediation service. When a major national conflict occurs, the Government can appoint a special mediation committee but the public mediator has only an advisory role and is not in a position to impose binding settlements. The state’s limited involvement in collective bargaining came about as a result of an accord struck between SAF and LO

in the late 1930s. Faced with the new Social Democratic Government's threat to introduce tough labour legislation in order to end a series of bitter industrial disputes, SAF and LO concluded the so-called Saltsjöbaden agreement, which laid down the rules for conflict resolution and for employer-union cooperation on rationalisation, training and health and safety. The "basic agreement" formed the rules shaping union-management relations during the boom years.

This is not to suggest that the state's role has been irrelevant. The functioning of the Swedish industrial relations system cannot be understood without reference to the broader "Swedish model" of which it forms a part. The latter has involved Government commitment to full employment through the use of innovative Keynesian policies (including an especially well-developed active labour market policy) and the establishment of an impressive welfare state that enhanced the incentive to labour market participation by building a comprehensive set of income-related social insurance schemes on top of the basic "Beveridge-style" flat rate programmes. This policy complex facilitated growth by reducing worker insecurity in the face of industry modernisation and by enhancing labour market mobility. These policies, in combination with the unions' relatively successful pursuit of their solidaristic wages policy which served to compress wage differentials, worked simultaneously to meet the unions' equality objectives and to enhance the export performance of Sweden's leading sectors, capital and consumer goods firms in the engineering branch as well as the older industries like pulp and paper.

In general, the Swedish industrial relations system and the broader "Swedish model" within which it nestled seemed to have weathered the challenges which transformed the regimes of many other OECD countries in the eighties. Total union membership largely held in the 1980s, with a slight dip in the "overheated" labour market at the close of the decade, followed by a recovery and a small upswing in the early 1990s. SACO affiliated unions have experienced the strongest growth over the past years, but the TCO unions have not been far behind. Sweden was also one of the few countries to escape the return of mass unemployment in the 1980s and its generous welfare system seemed to be in a phase of consolidation rather than regression. Yet the image of continuity obscures the real changes, occurring beneath the surface, that were undermining the foundations of the Swedish model. The results of this process of erosion have become especially visible in the 1990s.

Reform then Subversion: The 1970s and the 1980s

In the 1970s, Sweden entered a period of reform driven by the trade unions and their demands for industrial and economic democracy. These demands, in part, were fuelled by growing dissatisfaction with the work environment produced by rationalisation. Pay rises were no longer accepted as adequate compensation for repetitive, monotonous and hazardous work. The general climate of radicalism associated with the flowering of the New Left in Sweden as elsewhere supported these demands and also created new space for demanding gender equality in the labour market. The minority social democratic Government responded to both. In the area of industrial democracy, the reforms included new legislation governing security of employment, union representation on company boards, trade union rights, work environment and codetermination of working life. These reforms were aimed at challenging traditional managerial prerogatives and enhancing the scope for negotiation and the negotiating capacity of union workplace representatives. Gender equality in a labour market where female participation rates were high and rising, was to be assisted by the rapid expansion of public pre-school and after-school child care and the 1974 parental leave insurance programme which made it feasible for either parent to take leave following the birth of a child, for up to a year (and later, fifteen months). In addition, the Labour Market Board and the new Work Environment Fund sponsored programs designed to break a well-entrenched pattern of occupational sex-segregation. In 1979 the first law on equal status (*jämställdhet*) was passed.

Employers, unions and gender equality advocates had some differences on the questions of industrial democracy and equal status. Thus employers feared encroachments on their ability to hire, fire and organise work – a right effectively sanctioned by the Saltsjöbaden accord – and unions opposed the equal status legislation as an undue interference by the state in relations between the labour market parties. The most controversial proposal, however, was LO's "wage earner fund", an innovation which, in its original form, would have contributed to the partial socialisation of ownership by placing a certain (small) portion of company profits into union-controlled investment funds.

The version of the funds proposal that was enacted after the Social Democrats returned to power in 1982, was basically a harmless addition to the pension funds which gave union representatives some say in how the capital in the five regionally-based funds was invested. Similarly, the other reforms fell short of the radical goals envisioned by their proponents. Nevertheless the employers and bourgeois parties regularly used the funds proposal to conjure up the spectre of socialism during election periods. More

importantly, the reforms, in combination with other developments – notably the growth of white collar employees in the private sector and of both white and blue collar workers in the public sector which challenged the pace-setting function of LO-SAF agreements – prompted a major shift in SAF's policy. While the latter had been perhaps the driving force behind the centralisation of collective bargaining, it was now dedicated to the system's demolition.

The turning point for SAF was the labour market conflict – “the great conflict” – which broke out in 1980. The conflict involved private as well as public sector workers in a combination of strikes and lockouts that lasted for two weeks and resulted in the highest number of person-days lost in Swedish history. The dispute ended when the mediator's offer was accepted by the employers, but this only occurred after “their” Government (a conservative-liberal coalition in power from 1976 to 1982) “betrayed” them by bringing public pressure to bear on them to accept the offer to which the unions' had already agreed. For SAF's new leadership, the great conflict had been a test of how much support it could expect from the Government. The conclusion drawn was that employers could never expect to win in conflicts at the central level where politicians were bound to be so concerned with numbers. Forced decentralisation was the answer and here SAF would have to rely on its capacity to coordinate its own troops in the labour market rather than on intervention by a sympathetic Government. As it turned out, it proved harder to win all of the troops to the new line but the latter's leading proponents – the dominant firms in the engineering branch – worked to undermine the system from below, aided (perhaps unintentionally) by the Social Democrat's economic policies.

The first breakthrough came in 1983. The Association of Swedish Engineering Industries (then called VF but now known as VI) forced a revision to SAF's statutes, allowing the branch associations to proclaim lockouts and to decide over the use of conflict funds. It also managed to induce Metall, the union representing blue collar workers in this industry, and Metall's white collar counterparts – SIF, the large Swedish Union of Clerical and Technical Employees in Industry; SALF, the union of supervisors and foremen; and CF, the SACO affiliate representing professional engineers – to abandon their respective central bargaining tables and sign branch-specific agreements. The record for the rest of the eighties proved uneven, as LO was able to persuade Metall to rejoin the fold and VI had trouble persuading the rest of SAF that decentralisation was the only way to go. Nevertheless, the leading engineering firms were able to undermine the system by taking advantage of the high profits made possible by the

Social Democrats' "offensive devaluation" (16 percent in 1982) that came just as export markets were recovering, especially in the U.S.

Thus engineering employers offered local level agreements that frequently exceeded central agreements by up to 100 percent. A contributing factor here was the introduction of new elements to the wage system whereby a certain percent of one's final wage varied according to the performance of the division or unit in which one worked. In 1988, around twenty percent of companies in manufacturing were using some form of bonus system and the majority of these had been introduced between 1985 and 1988. In addition to wage drift, the leading companies, aided by tax incentives, successfully implemented a range of profit sharing schemes. One of the most innovative of these were the so-called "convertibles" whereby employees would loan their company – often financed by their own loans secured with the help of the company – a sum of money which could be converted into individually-owned shares within five years. If the share price rose, employees could acquire shares at a discount price; if it fell, the employees' sole loss was the difference between the interest on the loans they had taken and the interest paid by the company on the loan. Around forty percent of companies listed on the Stockholm Stock Exchange introduced such profit-sharing agreements in the 1980s.

Moves like these worked to undermine local allegiance to the policy's advocated by national union leaders who, along with the Social Democrats, were urging restraint in the interests of macro-economic stabilisation. The Swedish unions had firmly and clearly rejected statutory incomes policies in the aftermath of the Second World War but have long been aware that the preservation of "free collective bargaining" requires restraint. They have thus not been averse to informal arrangements with social democratic Governments in which wage restraint is given in exchange for economic and social policy gains. In the seventies, tripartite consultations known as the "Haga Rounds" became the norm and, as Elvander (1990) has documented, the eighties, too, were marked by Government efforts to set the limits within which wages were permitted to rise. Unfortunately, efforts to restrain wages were not matched by a similar effort to control profits and thus employers were able – and, in an overheated labour market, willing – to up the wage ante.

High, seemingly uncontrollable, levels of wage drift also helped to convince the rest of SAF that centralised bargaining was no longer effective as a means of taking wages out of competition and achieving stable growth. From this perspective, the high levels of inflation which ensued seemed a small price to pay, an investment in a future where decentralised, firm level bargaining would be the norm. In the new system, wages would become a

tool for micro-economic management rather than an element in the macro-economic equation, as they were seen in the traditional Swedish model. In the old system, across the board wage increases, combined with special increments for low waged workers, could be justified under the banner of "equality and stability". In the new system, wages are to act as incentives to increased productivity and will be set according to local and sectoral market conditions as these bear on a firm's (or subsidiary's) performance. Wage differentials are to rise accordingly.

The new wages system could not be properly implemented, however until the last vestiges of the old had been destroyed. By January 1990, SAF was ready to make a frontal assault which it began by refusing to accept the Government's invitation to participate in a round of discussions designed to secure restraint. SAF simultaneously signalled its firm intention to withdraw completely from central negotiations by abolishing its negotiating secretariat.

Realising that the situation had gotten out of control, in 1990 the minority Social Democratic Government attempted to impose restraint by, *inter alia*, a suspension of collective bargaining and the right to strike for one year. This produced a Governmental crisis but resignation was followed by restoration and, with a renewed sense of mission, the Government established the Rehnberg Commission, a kind of wage board empowered to intervene before the parties had even begun to bargain. The Government, moreover, threatened to introduce legislation if any major labour market group exceeded the Commission's guidelines for two year contracts. Lest the centralising aspects of the Commission's operation be exaggerated, it should be noted that these agreements by-passed the central bargaining table in favour of branch level accords, much as VI had been demanding throughout the 1980s. The agreements were also innocent of the kinds of "catch up" clauses that had, in the past, enabled the unions to pass the benefits of wage drift from leading sectors to the rest.

For SAF, the Rehnberg round was seen as having at last cleared the way for the introduction of the new preferred industrial relations regime. To clinch the victory, SAF forced the unions to renegotiate the agreements governing the collection of wage statistics. Where the old agreements cast a comprehensive light on developments across the labour market, the new ones function more like a set of strobe lights, leaving large pockets of the labour market blanketed in darkness for much of the time. Under these conditions, unions will not have the information required to pursue their traditional wages solidarity policy.

Forces Behind the Collapse of Centralised Bargaining

The above description of the employers, especially the big engineering firms, as the agent for decentralisation is not inaccurate but the account is perhaps too one-sided. Swedish employers, under the ideological leadership of SAF which had itself wholly converted to the neo-liberal line, and prodded in the labour market by the moves made by the big engineering firms, certainly managed to dominate developments in the 1980s much as the unions had held the initiative in the 1970s. Yet this interpretation begs the question of how it was possible that the “strongest trade unions in the world” were not only unable to stop the offensive: they also proved incapable of developing a viable alternative. The main explanation is perhaps the tensions which had grown in the heart of the union movement. To some extent, these involved tensions between union leadership and rank and file of the sort one might expect in relatively centralised systems – especially when the central leadership is preaching restraint while management is offering substantial inducements at the local level. Yet the stress lines go beyond this to include the longstanding tension between white and blue collar employees which had been attenuated but not eliminated by the Social Democrats’ efforts to construct an alliance of “wage earners” (Esping-Anderson, 1985). There has also been growing tension between public and private sector unions, a tension which could assume a gender dimension, given the concentration of women workers in the public service sector. In other words, the events of the last two decades need to be seen in relation to three longer term changes which the unions and, more broadly the industrial relations system as a whole, had not adequately adjusted to: the growth of white collar work associated with changes in industrial work as well as the expansion of the service sector; the expansion of the public sector (the largest part of Sweden’s service sector); and women’s high labour force participation rate (80% of Swedish women between the ages of 16 and 64 are labour force participants, a participation rate almost equal to Swedish men’s which has fallen slightly over the postwar years).

To get a sense of the implications of these developments, consider the main features of the original Swedish model. The latter gave a central role to the “labour movement”, an alliance of the LO and the Social Democratic Party. Other unions existed but their role paled in significance vis-a-vis LO and its affiliates which dominated in size, sophistication and political influence. Within the LO it was the private sector unions based in manufacturing, notably Metall, that were the dominant forces. This pattern carried over into the industrial relations system in which LO-SAF agreements – including the basic Saltsjöbaden accord – set the terms for the labour market

as a whole. The three changes noted above could not help but pose a series of challenges to this system.

In a sense, the first responses came in the political arena where, by the early sixties, the Social Democrats had begun to realise that their political fortunes would hinge on their ability to forge a political coalition of wage earners. The addition of the welfare state's "second tier" – earnings-related pension plans and the like – was designed to forge this alliance, giving blue collar workers the same rate of compensation as their white collar counterparts had gained through collective bargaining while winning the allegiance of the generally higher paid white collar workers to the public system. It was in this period too that it was discovered that wage earners came in two sexes and that women needed to be brought into the equality compact (see Jenson and Mahon, 1993). These reforms, in turn, fuelled the marked expansion of public sector employment, especially in the "care" branches (health, education, welfare) where women predominated.

Change came more slowly on the trade union front. TCO and SACO grew more rapidly than LO and, within LO, the female dominated (but not female-led) public sector unions grew faster than the unions based in manufacturing such that the Municipal Workers' Union is now substantially larger than Metall. By the 1970s, the white collar unions in the private sector were ready to flex their muscles as were both white and blue unions in the public sector. Bargaining cartels for white collar workers were formed first in the private sector (PTK, 1976), and then in the public sector (KTK for municipal and country employees and TCO-S at the national level) and the latter used their increased clout to extract protection against the wage drift that historically had benefited certain blue collar workers in the goods producing sectors. Although white and blue collar workers were able to unite around the 1970s demands for political reforms to promote industrial democracy and, to a lesser extent, equal status for women on the labour market, they remained divided on the labour market. While in the past these divisions had not mattered due to LO's paramount position, the growing parity among the unions' negotiating bodies resulted in a series of increasingly chaotic "wage matches" in which, more than once, the "other" bargaining groups were to take the lead (Ahlen, 1989). Inter-union rivalry at the bargaining table(s) thus can be seen as a reflection of the Swedish union movement's inability to develop new policies and structures appropriate to changes within, as well as to changes induced by the neo-liberal wing within the ranks of the employers. This situation may be changing, as several recent developments suggest.

The 1993 Round: Co-Worker Agreements and Pay Equity

These internal and external challenges to the unions were brought together in the two issues which dominated the 1993 bargaining round: co-worker agreements and pay equity. The first represented a move by the big engineering firms, backed by SAF leadership, to strike the final blow against the old system by promising to overcome the traditional collar divide – if the new “co-workers” were prepared to move to enterprise bargaining. The second was the result of the development of a form of “wage earner feminism” within the union movement as a whole, but especially so in the women-dominated public sector unions.

The Swedish tradition of separate contracts for blue and white collar unions has a long history. The reforms to the social insurance system which began with the adoption of an earnings-related public pension system (ATP) in the late fifties, have worn down, but not eliminated, the differentials which employers once used to maintain the loyalty of their white collar employees. Thus white collar and blue collar workers face different rates of compensation for work-related travel; they have different rules governing work time; and they have completely different systems for calculating wage increases. In the past, these and other workplace-related signs of differential status led to resentment, occasionally spilling over into industrial action. With the recent wave of changes in work organisation related to the introduction of “post-Fordist” techniques, the collar divide has seemed increasingly outdated as well as unjust. The unions were slow to recognise the need to change their organisational structure to fit the emerging “striped collar” worker: it took a pronounced threat to their very existence as national unions to force them to begin to change (see Mahon, 1995).

As will be recalled, SAF saw the post-Rehnberg round as its chance to deal the old industrial relations system a final blow. Its strategy for so-doing was two-pronged. The first was for those firms not ready to bargain on their own. These could turn to SAF’s new, rationalised associational substructure – a trimmed down set of branch based bargaining cartels which would negotiate the length of agreement, holidays, work time and other general conditions of employment while leaving wage levels to be set at the local level. Local managements would be assisted by SAF’s regional units which could ensure the discipline required to keep wage increases in line. The second element of the strategy was the one which most closely approximated SAF’s vision of the future and it was to be pursued by the big engineering firms who had long been pushing for decentralisation. They were to eschew national bargaining altogether, in favour of co-worker agreements at the enterprise or divisional level. Asea Brown Boveri was the first to explore this path, with the ground-breaking cross-collar agreement concluded at

ABB Service in 1991. The latter agreement remained subordinate to existing national agreements with the unions but ABB, Volvo, Ericsson and others entered into discussions aimed at substituting these new arrangements for national agreements when the Rehnberg contracts expired.

Leading union strategists were quick to recognise the significance of the new contracts and before the 1993 round had opened, the key unions in the engineering and commercial and retail service sectors – Metall, SIF, and CF in the former and *Handelsanställidas* and HTF in the latter – had concluded agreements to coordinate action. The union triumvirate in the engineering sector proved effective in forcing the big engineering firms to come to the national table(s) and they have formed working groups with VI jointly to explore new formulae for regulating wages, working time and training. It was the unions in the retail and commercial service sector, however, who were prepared to go the furthest towards the creation of a union structure which fit the emergent co-workers. In the fall of 1993 they announced the formation of a permanent working body to coordinate wages bargaining, training, and international union work. In addition, they announced plans to form a joint “third union” to represent workers at sites where co-worker agreements have been concluded or are in the works.

A similar cross-collar alignment emerged in the public sector bringing together the three largest unions, the Municipal Workers (LO), their white collar counterpart (SKTF, part of TCO), nurses (SHSTF, also in TCO). (For a while, two SACO unions, SR representing social workers and the like and LSR, the union representing physiotherapists joined them but were forced to rejoin their bargaining cartel, SACO-K.) One of the forces pushing these unions to closer cooperation is, indeed, the employer-led move to decentralised bargaining between employers and co-workers but the issue which united the unions, and which constituted the main item they placed on the bargaining table, was pay equity. Despite rising unemployment in this sector these unions were prepared to go on strike to make a breakthrough on the pay equity issue, an issue which a group of LO and TCO women had done much to publicise in the late 1980s and which received further impetus from the publication of the findings of the Mundebo Commission on gender-related pay differentials. The bargaining round ended with almost identical agreements for the Municipal Worker and their TCO counterparts. The contract stipulated that in the important round of local negotiations, special attention must be paid to correcting instances of wage discrimination and to upgrading female-dominated occupations. Clearly it is too early to assess the strength of the unions’ victory but the unions’ determination to press ahead on this issue and the favourable climate in which they are waging

their campaign suggest that changes can indeed be expected in the longer run.

The Future

It is clear that the Swedish industrial relations system is changing. The employers have been the driving force behind the move to decentralisation and they have shown their readiness to remodel their own organisational structure to match the needs of such a system. Thus, a number of branch associations have been merged and SAF has continued to strengthen the regional network it established in the 1970s. On the union side, the traditional boundaries between white and blue collar unions – and, with the growth of privatisation and contracting out, between public and private sector unions – seem less and less appropriate. In some instances, the needed changes may take the form of mergers but the main development seems to be new forms of inter-union cooperation, resulting in new constellations of unions facing employers, such as those described above. Thus far the peak councils, LO (formed in 1898), TCO (formed in 1944) and SACO (formed in 1947) remain intact but both LO and TCO have set up major organisational review committees. It is not inconceivable that new forms of “joint venture”, in areas like union education and research, could emerge from these processes, as both face the need simultaneously to cut expenses and to provide affiliates and their local clubs with the kind of support needed in a more decentralised system.

On the broader questions of just how much decentralisation and on whose terms, it is too early to predict the outcome. The employers are determined to press ahead with decentralisation in a way that will centre on negotiations between management and individual “co-workers”, with the local union’s role limited to the right periodically to review the outcomes of such individualised discussions. They received some support for this from the previous Conservative-led coalition Government but the labour movement proved able to limit the Government’s room for introducing legislative changes. The 1994 election saw the return of a minority Social Democratic Government which is expected to be more sympathetic to the unions’ position in which future local negotiations take place in an environment broadly regulated by national agreements.

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