

Study Club 1935-36 Program -  
Reg Campbell  
Sweden -

- Economic Experiments -

WAC -

Reg Campbell

## - Sweden -

## - Economic Experiments -

It is not in the arts alone that a new Rhythm has arisen in Sweden.

It is not the tourist alone (who lured by persuasive advertising and excellent traveling facilities) gaze upon the happy blending of old world beauty and modern decoration - But students of world affairs are gazing with inquisitive and hopeful eyes on the economic experiments which are being carried out with <sup>such</sup> marked success.

On a  
Review

Margaret Childs  
Booth -  
Is  
taken  
note?

Sweden from her isolated position geographically, to a great extent, has avoided the ravages of war - more than that she has carefully avoided being sucked pell mell into new thought by other nations and peoples of diverse temperament.

When new movements of social, economic or artistic portent finally did sweep through their national reserve, they were carefully considered and analyzed before adoption into their daily lives.



The result is that to-day more adventurous and impulsive nations are still floundering in a morass of schemes, (which we hope, will eventually synchronize into co-ordinate progress) while Sweden has steadily gone forward. Tenaciously clinging to tradition, more than that she has delved into the past reviving all her native arts and assets and happily reconciling them to the very newest spirit of modern progress. Steadily and surely she has found a place in the present day world, as a leader in the new order of things and accomplished this without losing one iota of her Swedish identity.

Mr Childs reiterates that one of the strongest traits in Swedish character is jealousy or envy - this is not a short coming but a virtue, he means, to bring out that the Swede takes active interest in what is going on about him, party lines are finely drawn party feeling runs very true, but strange as it may seem when both sides have made this



fight, they then are ready for compromise. "Sweden has walked the middle way" he says "because the Swedes are a middle of the road people." They have a genius for compromise, they believe in give and take, they are concerned with realities and not utopias -

Sweden's "middle way" between collectivism and free enterprise is not a system combining the two but rather the co-existence of the two side by side - For instance they have consumers and producers cooperatives - State enterprise, State monopolies, State control, private enterprise -

Because Mr Childs claims that Sweden's success is not in the experiments themselves as much as in the people themselves I will give a few educational side lights — for as Pope says, 'Education makes the common mind -



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## Education -

Journal of National Education Ass. Feb 1936

**Elementary education in democratic Scandinavia**—Elementary education was established in the Scandinavian countries somewhat more than a century ago under the dominance of the Lutheran Church. It was somewhat pietistic and mechanical, but it had resulted in almost universal literacy by the middle of the century.

It thus provided a basis in the school arts for the folk highschools which developed rapidly after 1864 and which attracted youths of eighteen to twenty-five to consider under competent and highly respected teachers the meanings of life for themselves, their neighbors, their nation, and the world. Out of these schools came many young men and young women fired by a purpose of examining the institutions among which they found themselves, to modify those that were not satisfactory, and to create new ones if necessary.

Nothing escaped the impact of these enlivened and enlightened young people. The church, the government, agriculture, home economy, and recreational and cultural activities, and even commerce and industry were all modified by their intelligent criticism and cooperative attacks.

The village elementary schools dominated by the church and by government inspectors at first resisted change; whereupon the folk highschool "alumni" organized "free schools" emphasizing handicrafts, music, art, gymnastics, as well as the school arts, for the little folks, and these "free schools" became centers of adult community culture as well. To obtain teachers better equipped than those youths who brought only zeal and personality to their task as free-school teachers, a teacher-preparatory folk high-school was established.

There are four colleges, two private universities and two State universities. When a professorship falls vacant in one of these, the competition for the place becomes a national issue, feeling runs



high. It is not entirely a clash of two rival ambitions, there enters the sentiment of "royal Swedish jealousy."

(You probably have been told in some previous papers of the old order of things in Sweden, of the very charming landed gentry with their very beautiful castles - and good customs - How their retainers stay on and on rather than go to public homes for the aged, how the new laboring class are pursuing their own way - The story is told of one Count who had a meeting house built on his estate for his working people and how their gatherings were attended by the laborers from the Swedish Electric Co. nearby -

The most radical subjects were discussed but always with the care not to hurt the Count's feelings but nevertheless discussed.

These expensive estates are greatly entailed and as a class the "landed gentry" are slowly disappearing, the present generation seems trained and ready to meet the situation in some arduous fields of business and art - raised in this class

One author, in a recent book, wrote

Some stayed on their estates to protect their retainers.



Amelie Parre - Bragdon  
Archives 1888 -

"Landed Gentry" a refined species like dinosaurs which were condemned by the laws of nature to be exterminated to make way for other, fitter forms of life. With heads waving high over the tree tops, kind & gentle, without weapons to defend themselves when the new aggressive stronger, though smaller beasts began to gnaw at their feet" Can we allow ourselves the luxury of maintaining such an antediluvian caste? It appeals to our poetic feeling but out of harmony with our times"

On the estate of Miss Elizabeth Tamm a member of Parliament, which estate has been financially solvent thru the agricultural crisis, she has erected a political school for women, to train them in all social & economic questions, no party politics are played here but all sides discussed.

Labor  
Union  
Schools  
  
State  
Advisers  
&  
Controllers  
in every  
branch of  
agriculture  
&  
forestry

A little more in way of background the government is under the control of the Social-Democrats. The Labor party <sup>having</sup> gradually gained control. The King



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as in England is beloved by the people but never takes sides with either the Rights or the Lefts -

When the Royal appropriation came up in Parliament, a radical denounced the amount in violent language to which a veteran Liberal member replied

"I've listened to many speeches on the crown, and I've made many myself, advocating the abolition of the crown. But I think our blood thirsty friend goes a little too far. The King is like Santa Claus - we know where he puts on that red robe and that high crown that he is just one of us, but we like to see him dress up in those fine clothes".

The appropriation went there as usual 800,000 Kronor, the smallest item in a budget of more than a billion crowns. It is not, one is told by the thrifty Swedes, a very costly luxury, this human flag, this King.



VIII

Let us  
get down  
to cases -

## Liquor Control -

Even Tourists are forced to drink like gentlemen in Sweden - ! (Thurs an accomplishment -)

How did this come about?

It did not happen in a day - Sweden has always been a drinking nation, a heavy drinking nation - The Swede is noted for his hospitality, the word over - Food and drink fill much of his life - This is controlled somewhat by their intense climate - He can dispel the gloom of winter with the distilled warmth of <sup>half a</sup> brännvin (potato whiskey)

After a century of trial <sup>by</sup> errors and corrections has evolved the Bratt System named for the young doctor Ivan Bratt, who through forceful articles and friends at court steered the country away from Prohibition and into moderation - This Liquor Control became a law in 1919 -

(The Swedes due their arguing before they make the laws - ahem!!)

The 2 basic principles of this system are <sup>1st</sup> eliminating private profit from liquor - and <sup>2nd</sup> producing from it a heavy revenue for the state -

To the river  
at night  
brought to  
the self  
compassion  
weep  
speechless

Larry  
has  
told  
you  
of  
Skål



## Liquor (Cont)

In 1932 the excise taxes were increased but even before this it is estimated that the income from the liquor trade amounted to about one sixth of the states entire revenue.

Laws providing what shall be done with the revenue from liquor were passed with a view to removing the temptation of the state itself, seeking to encourage the consumption of liquor as a source of revenue - It is used in three ways: -  
To promote temperance in a variety of ways, including the support of homes for the corrective treatment of alcoholics &  
for compensating cities & rural communities, the counties & the agricultural act for relinquishing their claims upon this revenue; & for the amortization of the national debt. It is not used for general budgetary purposes.

How is this law enforced?

No one may buy liquor from the liquor stores, which are open only certain hours, without his "not book" or passbook. The citizen applying for a not book has to state his age, occupation, capital, income size of family and reputation for sobriety, very much as if he



## Liquor Cont

were applying for an automobile license. The principal is the same - buying cars & putting other people's lives unless driven by responsible people - Drinking & selling done in moderation may put other lives -

I will not go into the Control Bill minutely. <sup>I met a few pertinent facts</sup> Dr. Pratt found that the normal <sup>individuals</sup> requirements were even under what was allowed in the motorist pass books - If cause could be shown for a larger requirement for a big family party for instance the amount was given - But the habitual drinkers were soon spotted - The consumption of alcohol was diminished and though some bootlegging did continue, it was not very prevalent.

Prices have never been high. The liquor was always the best and outside of the native brännvin was all imported.

Light beer and wines were unrestricted -

The saloon of course has been



## Liquor -

abolished - The cafés are neat but not gaudy - "The Exhibition says Agnes Rothberg" of putting one's foot on the rail and ordering and consuming one's drink in that sociable posture is unknown in present-day Sweden. There are no bars - there are only business-like retail counters above the entering rail. One must sit at a small table while a respectable woman brings the mild exceedingly mild beer -" More potent drinks than this is served only in bottles for home consumption and in restaurants with food - one must eat to drink!

There are complaints from both extremes on this question but it has accomplished what Dr Bratt wanted; namely that harmful drinking has been reduced. It has been adjusted to the habits of the people. It illustrates again Swedish effective compromise - between extreme wet and extreme dry - between those who would exploit every human need and those who would leave



XII

man fit into the identical mold."



XII  
Material from Habeth Hedin  
American - Swedish Law  
Exchange Inc.

### Divorce Laws -

It is possible to read the Swedish press for years on end without hearing anything about divorce - This does not mean that all Swedish marriages turn out successfully but it is considered too private a matter for newspaper notice - Divorce trials are never reported -

Divorce is about 5 times as prevalent in the United States as in Sweden in spite of the fact of the large Catholic population, while in Sweden there are practically no Catholics -

Under Swedish Law it is not only possible but most easy to obtain divorce by mutual consent, whereas in the United States "collusion" if divorced, is one of the strongest bars -

Here are two radically different ways of looking at the same problem - Swedish Law says that if both partners agree that they want a divorce, they should have it, while the American says that such an agreement is against public policy.

It is a Swedish rule that divorce is not granted until after a year of actual separation - and after efforts are made



by either a minister or judge to effect a reconciliation - This year of grace allows a period "for blowing off steam" which often is all that is necessary - !! But this separation is not granted solely on the basis of an application proofs must be presented that life together is unendurable -

If there is not mutual consent, either partner can apply for, first mediation, & if that fails, for separation and finally divorce - In such cases the applicant must cite proof either by outside witnesses or through some other presentation of fact that there is a good basis for the application. Even so the court may decide that the applicant is also to blame & deny the plea. Even if the application is based on allegations of excessive drinking, the court can deny it if it is shown that the applicant is partly to blame - If the partners agree to live together again, the legal separation lapses automatically and without court action -

Immediate divorce can be obtained without either mediation or separation, if it is shown that the partners have lived apart for at least three years because



of incompatibility, or if there has been a willful desertion by either one for two years - Other causes for immediate divorce are bigamy, adultery, dangerous assault and battery, imprisonment for at least three years and incurable insanity -

The duty of support is mutual, so that a wife if she has better means, can be forced to pay alimony to her divorced husband - particularly if he is in poor health, and in special cases even if he is responsible for the divorce.

In general, however, the guilty party gets no alimony, even if it is the wife. If there are no children and the woman is fully able to work, the Swedish courts are inclined to deny her alimony.

If she marries again, she loses her alimony automatically -

Where there are children, their guardianship is decided by the court in accordance with what seems the best interests of the children -

In case of separation & divorce each partner is entitled to such property as he brought into the household



4.  
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## Divorce cont

See you  
checking  
up -

or acquired later by gift or inheritance  
But, on the other hand, the wife  
is regarded as having a half interest  
in whatever the husband earns  
during their marriage, and when  
the separation takes place she can  
take her share, even in real property.

Decide  
Husband -

Many <sup>Principles</sup>

Often, of course, incompatibility is  
given as the cause for divorce, when  
the real reasons are different.

Among the poorer classes of Stockholm  
excessive drinking by the husband  
is the most common cause -

Statistics show that the most  
troublesome period in the course of  
married life lies between the fifth  
and tenth year - <sup>happy</sup> until the fifth  
year <sup>happy</sup> more tranquil waters ahead  
keeps the pair trawling together and  
after the tenth year, weatherbeaten  
they resignedly keep on, knowing  
<sup>only too well</sup> all the rocks and shoals !!

1916 -



## Currency Control -

The Riksbank or Bank of Sweden is the oldest bank in Europe -

It was founded in 1656 and was the first bank in the world to issue paper money -

Sweden has preserved their obsolete symbols and yet is managing her present day currency so successfully that financial specialists from all civilized countries are studying her methods -

The Riksbank has the sole right to issue bank notes - It is owned by the State and ruled by seven men - There are also a few powerful commercial banks with many branch offices

At the time of the Armistice, Sweden was in a difficult <sup>financial</sup> situation. She made heroic efforts, accomplished the financial reconstruction of her industries and was <sup>in 1924</sup> the first European country to revert to the gold standard. But in 1931 the international crisis again forced her off the gold standard -

At this point the Swedish Government decided to



Try and counteract the rise and fall of commodity prices -  
 "To preserve the internal purchasing power of the prouva" - In other words

(Rathering)

"Management of the currency which means that the quantity of currency and available credit are to be altered from time to time that fluctuations in prices will be largely prevented. Various banking devices may be resorted to in order to achieve this effect - The central bank may buy or sell gold; it may raise or lower interest rates; and it may influence credit by buying or selling bonds, bills, and other credit instruments -

The greatest defect in monetary systems <sup>"says one writer"</sup> has long been the instability of the unit of money in purchasing power - The pound, the franc and the dollar keep the same weight and fineness in gold but their purchasing power in commodities is as changeable as the wind.

Economists are aware of this weakness in the gold standard



and have struggled in vain for some means of keeping the unit of money unvarying, as the bushel or the yard are unvarying as units of measurement. But despite its weakness, a great majority of economists continue to advocate the gold standard, while just as many are disparaging it.

Which boils down to this.

Sweden says that controlling the currency has been a success. Outsiders,

some economists anyway, lift eyebrows and say "to a large degree it is illusory".

"The mysteries of currency manipulation are so profound that only a few seers and soothsayers may penetrate them and what they report is for the most part contradictory and all too often quite unintelligible."

What Sweden achieved thru her managed currency has long a matter for debate but of late one has heard very little of currency management. There is a general



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## Currency Control -

realization that it is at present  
playing a minor part in Sweden's  
Recovery. -



XXXI  
"Kooperativa Forbundet"

Co-operative Union

"K. F."

"Konsum" trade name -

All over Sweden even beyond the artist circle is found the sign "Konsum" in large modern letters. The name does not only represent a modern ideal, but always adorns a modernistic shop of the true functional type.

The housewife can read the advertisements in the evening paper of the very best buys and the next morning, if she is a K. F. member, armed with her market basket and account book sallies forth to look the bargains over - All the articles are displayed to the best advantage the fruit and vegetables, scrubbed and polished in handsome containers, the package goods stored on shelves with the most artistic results -

Smart linoleum covers the floor and the entire shop front, is an unbroken expanse of shining plate glass - They are the kind

Realizations

Free  
belonging



of shops one expects to find in  
our most exclusive shopping districts.

K.F. has been struggling, achieving  
and finally triumphing since 1899

and

Hayes  
path.

K.F. was first heard of in 1899 - The  
young men, <sup>who inspired it</sup> were energetic idealists  
and much of the success of the movement  
is due to the calibre of men directing it  
and the morale of its personnel.

When the success of these shops were felt  
by the retail merchants they forced their  
wholesalers to shut down their supplies -  
But the K.F. bravely started to buy abroad  
and at home and finally forced by a  
boycott, started in the manufacturing  
end so that today <sup>the K.F. stores</sup> 20% of the retail  
and wholesale trade and 10% of  
its manufacture -

The leaders of K.F. were of the firm  
conviction that only the consumers  
themselves banded together could break  
the hold the special interests were  
gaining on all commodities -

The monopolies have been forced  
to bring down their prices because  
of the keen competition of the K.F.



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If any private monopoly offers goods at a legitimate figure the K. F. does not compete with it. But when ones prices are exorbitant on some necessity - they are warned to reduce their rates - if they do not - K. F. enters <sup>the field</sup>

About a third of the households of Sweden have memberships in K. F. <sup>including</sup> All types and classes and they put aside their political affiliations to unite in their enthusiasm of the common cause.

Members keep all purchases entered in their book and at the end of the year receive 2% of their money spent, as their bonus. One does not have to be a member to purchase goods, <sup>the amount spent</sup> is <sup>is</sup> <sup>should</sup> <sup>unwinded</sup> toward a refund if they eventually become a member.

Membership is made extremely easy as only 5-kronor in cash is needed to qualify one as a shareholder, altho every member must eventually possess ten shares at ten kronor each.

In their manufacturing they take great pride in taking over a plant and reorganizing inside and out in the most up to date methods.

Architecturally they beautify <sup>their factories</sup> as is exemplified in the 3 crown flour mill <sup>in Stockholm</sup>



Lucky for  
me and  
more lucky  
for you

There are many more economic experiments  
being worked out in Sweden in  
the Labor Movement

State ownership - of industry

Agriculture

National Power System

Low Cost Housing -

Public Works Projects

Unemployment Relief

Insurance and Pensions -

All of these painted with the same  
brush as the Swedish sign

"K O N S U M" on the cooperative  
shops -

Dipped in the <sup>same</sup> paint, <sup>which is</sup> made from  
the same pigment, not of a faded  
tone yet not too glaring - The  
color of Sweden. Bright but not gaudy!

It is unanimous that these ex-  
periments have carried Sweden through  
the depression and well established  
in recovery - There are some  
who will disparage the success  
by saying it was not she herself  
that accomplished this as much



XXV  
as outside forces fortuitous to  
Sweden -

Admitting that Sweden has  
been lucky, when old man or old lady?  
opportunity came knocking at her  
door - She was ready with  
her economic house in order -



XXVI

# SWEDEN



The Cooperative Three Crowns Flour Mill at the Entrance of Stockholm Harbor.



Cooperative Houses Built for Employes of the Three Crowns Mill Near Stockholm.

*The Illustrations Are From "Sweden: The Middle Way."*