

“Laissez-faire under a bell jar” Marquis Childs and the Sweden-fad of the Roosevelt Era

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Abstract. For decades “Swedology” was a rich and polemically charged genre. “Swedophiles” and “Swedoclasts” were quite as eager to deploy images of Sweden as weapons in foreign contexts as they were interested in the country as such. A telling example is the genre’s early classic, Marquis W. Childs’s *Sweden: The Middle Way* from 1936. With the backdrop of Dwight Eisenhower’s attempt to get back at Childs by branding Sweden as an extreme society in 1960, this essay aims to see Childs’s book as an argument in its original context during the New Deal. Rather than initiating the 1930s’ American wave of Swedophilia, Childs phrased his argument as an implicit polemic against its apparent exaggerations. Sweden was *not* a Utopia; the point in studying its example was on the contrary the pragmatism shown in the Swedes’ attempts to solve everyday problems in a reasonable and genuinely democratic way, negotiating and compromising. As a text implicitly supporting the Roosevelt agenda, Childs’s book was far from encouraging federal dirigisme, expert rule and central planning (“social engineering”): on the contrary the message to other New Dealers was to shun such things in favor of grass-roots activities and initiatives. The predominant theme – the consumers’ cooperation movement’s central role in counteracting monopolies, thus creating economic efficiency and turning Sweden into the world’s only truly working laissez-faire economy – harmonized with Childs’s commitment to projects like the federal rural electrification program, which in a “Swedish” manner was founded on co-ops and a vision of popular self-determination.

Middle-of-the-road

In the summer of 1960 Republican delegates gathered in Chicago for their party convention, in order to nominate Richard Nixon in the

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upcoming presidential election. On a short visit, the retiring president, Dwight Eisenhower, had a breakfast chat with the press. The theme of his comments was his preference for “middle-of-the road politics”, claiming “the superiority of a middle political course over right or left extremes”. To make his point clear, he sketched out a contrast. The *New York Times* reported:

He denounced the Socialist philosophy of a “fairly friendly European country” he said he had been reading about in the last few weeks. “The experiment of almost complete paternalism” there, he said, has resulted in a sharp rise in the suicide rate, “more than twice our drunkenness,” and a “lack of moderation discernible on all sides.” It was believed that he had alluded to Sweden.¹

In the following days the American press was able to wallow in annoyed reactions from Scandinavia. Among others, the Norwegian Prime Minister, Einar Gerhardsen, suggested that a Congressional delegation ought to be sent to find out the true conditions: “After such a trip, I think the delegation would find that Sweden could serve as a model for most countries.”² In fact, American commissions studying Sweden as a “model” in different respects was all but a new thing, although they would certainly increase after John F. Kennedy had beaten Nixon in the fall. A couple of years after the ruckus, ex-President Eisenhower himself went to Stockholm, in order to apologize for the offense.

But what made it so clear that Eisenhower really had intended to point a finger at Sweden? Why not Holland or Norway? Most commentators regarded it as obvious. Only a clever Swedish diplomat told the press he was “not terribly upset”, since the President “couldn’t have been talking about Sweden because he said a ‘fairly friendly’ country, and Sweden is a very friendly one.”³ In a general way it must have been clear to contemporary observers that Eisenhower had joined a growing current of criticism against the advanced welfare state, a current that focused on Sweden as its prime symbol. Such critics claimed that the Swedes weren’t happy in their supposed welfare paradise: if they didn’t kill themselves,

1 *New York Times*, July 28, 1960 (“Eisenhower Is Firm For Middle of Road”).

2 *New York Times*, July 31, 1960 (“Norse Premierirate – Asks Congress Inquiry Into President’s Slur on Ideology”).

3 Nils Montan, quoted in *New York Times*, July 29, 1960 (“Official Undisturbed”).

they comforted themselves with heavy drinking and free sex (“a lack of moderation discernible on all sides”). In that respect he simply used what was already becoming a cliché as a political bludgeon. But there was more to the case than just this. Taking into consideration the specific position in the political landscape that Eisenhower attempted to claim for himself (and Nixon), it is obvious that the rhetorical twist in referring to Sweden also had a much more specific target, actually giving his remark an aura of being a personal vendetta. Since the mid-1930s “middle-of-the-road” had been a concept closely associated with Sweden. To indicate that Sweden actually represented an extreme – an experiment in Socialist paternalism, turning its population miserable – was a pretty strong way to say that the middle ground in politics, true moderation and pragmatism, lay elsewhere than in the direction of the advanced welfare state.

The conceptual link between images of Sweden and middle-of-the-road policies had several sources, but one of them was far more important than the others. In early 1936 the young Washington reporter Marquis W. Childs had published the book *Sweden: The Middle Way*. It had instantly become a bestseller (by the standard of non-fiction book sales), and was soon regarded as something of a political classic, being continuously reissued in the following decades. Eisenhower’s attack in 1960 might in fact have contributed to a renewed interest in the book, which was published in yet another edition in 1961. Childs’s book had been the most important of the many delineations which in the 1930s had turned Sweden into a major political symbol abroad. This symbol had initially been used by “Swedophiles”, celebrating the supposed virtues of the nation. But soon it was used quite as eagerly by “Swedoclasts”, denouncing her presumed vices. *The Middle Way* had also turned its author into one of the United States’ most reputable journalists. From the 1930s through the early 1980s Childs would have a presence in public life as a widely respected political commentator on the moderate left, in the role of a syndicated columnist, published in a large portion of the American press.

Childs’s status as a major public voice had also been cemented with further books on different subjects, including a couple of novels. The most successful of his later volumes, though, dealt with no one less than Dwight Eisenhower himself. The volume had offered the President quite personal reasons to claim Sweden to be anything but the “middle way” in 1960, thus getting at Childs by proxy. In 1958

Marquis Childs had published *Eisenhower: Captive Hero – A Critical Study of the General and the President*. As this was an ostensibly nuanced and scrupulous narration and analysis of the President's career, not a mere exercise in mudslinging, the bottom line was probably all the more scathing. Eisenhower was depicted as a pretty flabby person, who by coincidence had happened to serve the purposes of others – in the military and within politics – with his charm and persona as the all-American guy from Kansas. (Childs made a key point of the fact that the Democrats had been first in trying to recruit the war hero as their presidential candidate.) According to Childs, Eisenhower, in stark contrast to his immediate predecessors in the White House, had been leading America by passivity, non-action, and by delegating most responsibility to more colorful people in his administration. In short, the retiring President of 1960 had forceful reasons to dislike the author of *Sweden: The Middle Way*, a fact that most probably affected the specific way in which he stated his claim to represent the middle-of-the-road in American politics.

Sweden: A “Rooseveltian Model”?

The matter of what was to be seen as extreme or middle-of-the-road in American politics during the post-war decades was very much related to how the preceding era was understood and evaluated. Had Franklin D. Roosevelt's New Deal been a matter of pragmatism and compromise between principles and interests, or had it been a drastic aberration in American history, heading in the direction of federal regulation and Socialism? In order to support the latter interpretation it was easy to point to the Swedish example: hadn't the Socialist governments there through decades been able to realize in full what the New Dealers had only been able to realize partially, due to the resistance in a system of divided government? Such a connection could easily find affirmation in the fact that so many of the New Dealers had been pointing enthusiastically to the Swedish example in the 1930s, including Franklin D. Roosevelt himself after reading Childs's *The Middle Way* in the summer of 1936, turning the best-seller into a tool in the reelection campaign in the fall. And, of course, Childs on his part had been a fervent Roosevelt supporter. One of his articles from 1936, “They Hate Roosevelt” (originally in *Harper's Monthly*) was printed as a pamphlet, and used in the presidential

campaign. On the front page Childs was identified as the author of *Sweden: The Middle Way*.

So, was Sweden originally launched by Childs as a key symbol in international debates for decades to come, as a model for Rooseveltian semi-socialist redistribution by means of high taxation, federal state-dirigisme and planning? The answer is no. Not at all. Before I explain why, it might be instructive to say a few words in general about what I propose to call *the business of creating images of Sweden*. From the 1930s through the late 1970s Sweden was extensively used as a rhetorical tool for making political arguments within arenas other than the Swedish one: Swedophiles and Swedoclasts were fighting each other with images of a country they heartily agreed on seeing as a unique case, and as an essential *case in point*. But *what* the point was supposed to be was never really obvious, and even among Swedophiles and Swedoclasts internally, people disagreed widely about what the essential point of the case might be – what specific message the Swedish example would be expected to deliver. Thus the industry of “Swedological writing” (as one of the most perceptive Swedologists, David Jenkins, dubbed it in 1968) developed in accordance to a certain logic of polemics – each image being created implicitly or explicitly as a counter-image to alternative images already in place.⁴ The business of Swedology became a business of disclosing “truths” about Sweden: of debunking and pointing out the flaws in the idealizations or demonizations that had gone before.

The external image-creation of the late interwar era and the postwar decades later on received its internal, Swedish, counterpart. A kind of caesura occurred in a set of aspects of societal development in Sweden in the years around 1976 – the first non-Socialist cabinet since 1932 being one of the *less* significant, in my opinion. The fact that the economic crisis then finally reached Sweden in earnest, putting an end to the country’s Cinderella story and turning her into “a normal country”, was obviously what put an end to the era of Swedology abroad. At the same time the internal image creation started in earnest. In the decades after 1976 debaters, social scientists, and historians tried to come to grips with recent Swedish history – the era from the early 1930s through the mid-1970s. This epoch has regularly become associated with the concept of “the People’s Home”, which was launched

4 “Swedological writing”: David Jenkins, *Sweden and the Price of Progress*, New York: Coward-McCann, 1968, 17.

in the late 1920s by the Social Democratic leader Per Albin Hansson (Prime Minister 1932-1946). During that era the Social Democrats shaped their official image of the country: modern Sweden was seen as an edifice built by the Social Democrats according to the ideological blueprints of the party. The main point was obviously to claim the praise for it all, not least for what Swedophiles abroad celebrated as “a Model for a World” (the title of a book by Hudson Strode from 1949). During the decades after 1976 the debates concerning the “essence” of Swedish society during the People’s Home Era were dominated by a simple inversion of the self-celebratory Social Democratic image. This new image, equally based on *the building metaphor* – modern Sweden being perceived as an *edifice*, built according to the intentions of a master-builder super-subject – was turned upside down, giving the Social Democratic party the whole blame for everything that appeared to be wrong with Sweden during the People’s Home Era. Several themes from the Swedoclastic side in the international business of image creation of the 1960s and 1970s recurred in the internal, retrospective business of image creation. A revealing case is offered by the term “social engineering” (*social ingenjörskonst*). It appears to have been completely forgotten in Sweden during the years before 1976, but afterwards – all of a sudden – it appeared to be the indispensable key word in describing what had happened to Swedish society from the 1930s through the 1970s.⁵

The retrospective image of “the People’s Home”, founded on the building metaphor, carries a strange disproportion between the number of Swedes – including scholars – who seem to be unable to look beyond it, and the obvious lack of arguments for it. A revealing indicator of this skewed rear-view perception is the propensity to read other things into Marquis Childs’s *The Middle Way* than what was actually said in the

5 I have discussed these matters apropos of the major (and extreme) classic in Swedoclastic writing, Roland Huntford’s *The New Totalitarians* from 1971, in “Maskinmodernitet och dystopisk lycka: den sociala ingenjörskonstens Sverige, upplaga Huntford 1971”, *Polhem: Teknikhistorisk årsbok 2006-2007*. The article is available online at: <http://www.sntv.kva.se/files/Polhem%202006-2007%20Ostlund.pdf>. I have also treated the early history of the terminology of “social engineering” (e.g. uncovering the original launching of the term “social engineer”, which was done in Dutch, 1894) in relation to later images of Sweden in “A knower and friend of human beings, not machines: The business career of the terminology of social engineering, 1894-1910”, *Ideas in History*, Vol. 2, No. 2 (2007).

pages of the book.⁶ Swedish scholars mentioning this text have regularly taken for granted that it was a book about Per Albin Hansson’s Sweden: a book about the People’s Home which the Social Democrats must have been on their way to building, by means of political decisions and an increasingly active state. Quite a few readers have been somewhat aware of anomalies in such an interpretation, but the general pattern remains clear. This perception seems to fit well with a vague realization that Childs’s book was an argument stated by a New Dealer in the American context: *obviously* Childs wanted the US to go further in the direction of state dirigisme and tax-financed public welfare! This perception among modern Swedish readers would probably fit quite well with Eisenhower’s in 1960 as well. On the other hand, it is of interest to note that it had become hard to see what was actually said in the book in the wake of World War II, since a set of *new* images of Sweden had been established. When Pelican Books, for example, launched “the new post-war edition of a political classic”, selling *The Middle Way* as “the story of a constructive compromise between socialism and capitalism” they had obviously gotten the whole argument wrong. This was clearly *not* what Childs’s story was about. And most interestingly of all: in 1961 it had become hard for Childs himself to avoid seeing his own text through a lens *somewhat* similar to Eisenhower’s, in his new introduction to the book. Mustn’t the story of Sweden in a major part have been a story of Social Democratic governments and state policies, forming a nation according to their plans and visions? In this perspective, latter-day Swedish readers

6 It is hard to offer examples that would be representative without specifications. Thus, the following, relatively new samples are chosen quite randomly. In *När framtiden redan hänt: Socialdemokratin och folkhemsnostalgin* (Stockholm: Ordfront, 2009, pages 101 and 228) the historian Jenny Andersson employs “Marquis de Childs” (supposedly a diplomat) as an example of visions of “the Swedish Model” as “the middle road between planned economy and market capitalism”: “The Swedish middle way was for Childs a societal model that accepted growth generating market solutions but steered the profits towards social goals.” (My translation. *Who* would do this “steering” in the supposed societal model is never mentioned.) In an editorial in *Dagens Nyheter*, July 7, 2013 (“Här störs vi inte av professorer eller revolutioner”), Peter Wolodarski refers in passing to Childs as the one who first launched the idea of Sweden as “the perfect middle way between socialism and capitalism”, apropos of American and British leftists’ continuing envy of the Swedish welfare state and a new sympathy for Swedish market reforms in the spirit of Thatcher among Anglophone rightists.

may be excused for their inability to see what is not expected in a text from the 1930s, although their reading is quite revealing all the same.

Now the obvious question is: would it even be *possible* that *The Middle Way* might have been a book about a societal edifice built by Social Democratic governments? The manuscript was finished at the end of 1935, when Hansson's first cabinet had been in charge of the state for three years, thanks to its "horse-trade deal" with the Agrarian Party. Nothing at this moment in time made it obvious that the era of short-term minority administrations of shifting political complexions was over in Sweden. To imply that the Swedish society of that date was an edifice built by the Social Democrats would have been, plainly, silly. And Childs's book was about his perception of Swedish society – and Swedish mentality – as it was *then*, and as it was developing in the present, not about anyone's plans to change these realities in any fundamental way in the future. And this was the major reason behind many Swedish Social Democrats' dislike of the book, as it to a large extent seemed to idealize precisely the present realities they were eagerly striving to change. So, what Sweden had Childs seen, and how did he interpret Sweden's supposed message to Roosevelt's America?

Sweden Must be Eden

Before taking a look at the actual argument in *Sweden: The Middle Way* we must establish a basic fact about the book. It did *not* launch Sweden as a political symbol in America, although it did more than any other text to propel it to lasting prominence. Quite the contrary: Childs's book is an early example of *the logic of debunkery* in Swedological writing. There were a lot of things said about Sweden in the United States by the time he wrote his book, and much of the energy in the text comes from its polemical sense of purpose: Sweden was *not* what it had been said to be, and *the point* of this new *case in point* was that it was *not* what others had claimed it to be. A new, positively charged attention to Sweden had become perceivable in America already in the late 1920s. Supported by Greta Garbo's success as the new major Hollywood star, this had had a lot to do with the fledgling reputation of modern design and architecture in Sweden, stemming from exhibitions in Paris and New York. Arty glassware and the new Stockholm City Hall would for decades play essential roles in most of the positive images of the country. In 1928 *National Geographic* magazine dedicated a major part of an issue to Sweden. But the breakthrough for the fledgling Swedophilia came with

the 1930 Stockholm exhibition of arts, crafts, and architecture, which attracted many American journalists to Sweden – among them Marquis Childs, who paid his first visit to the country for this purpose.

Within this context it becomes clear that the key feature that attracted attention to Sweden was the little kingdom’s new profile of *modernity*. In the case of the Stockholm exhibition it was a matter of radical aesthetic modernism, especially as expressed in the international style in architecture, in Sweden known as “functionalism”.⁷ Not every Swedophile was struck with enthusiasm for radical functionalism – Childs, for one, was quite skeptic. But a perception of Sweden as representing the future, forging a possible road to the future for the rest of the world, would be an important seed for the coming business of Swedological writing. Not least through the functionalists’ celebration of industrial production, machine culture, and scientific rationality – Henry Ford was a leading figure in their visions of modernity – the aesthetic themes were naturally related to another aspect of modern Sweden: its fast development as an industrial nation during the recent decades. These themes evoked the country’s sudden metamorphosis from a relatively poor nation, sending a fifth or sixth of its population looking for a better life to America, into one of the wealthiest nations in the Old World. And one thing is very clear: Sweden’s Cinderella story as a nation of ever-expanding, high-tech industrial wealth would remain the motor behind the international interest in Sweden as *a case in point*, both positive and negative, until the fairytale reached its end circa 1976.

In the wake of the Stockholm exhibition, trips to Sweden turned into a fashion among American journalists, and soon among others as well, as the presence of the country in press reports became increasingly strong. The steamers to Gothenburg reinforced their reputation as one of the most comfortable ways to get to Europe. Suddenly everything Swedish had become all the rage in the United States. The most obvious sign of a veritable fad was the interest in Swedish food. It was during the early 1930s that “smorgasbord” became adopted as a loanword in the American language. In 1934 a restaurant reviewer in *The New Yorker* spoke about the “bandwagon” that both Macy’s and Charles had jumped on, starting to compete with their own smorgasbords, serving delicacies such as

7 *acceptera* [sic], the manifesto of Swedish “functionalism” – an apology for the principles of the exhibition published in 1931 – is available in English with the original images and typographical design in L. Creagh, H. Käberg & B. Miller Lane (Eds.), *Modern Swedish Design: Three Founding Texts*, New York: Modern Museum of Art, 2008.

smoked eel and reindeer.⁸ In March 1934 the book genre of Swedological writing can be said to have been launched with Agnes Rothery's *Sweden: The Land and its People*, as it was more than an informative book about a small European country. To a certain extent it was a book on Sweden as *a case in point*, as a place to learn lessons from. Concerning economy and politics she actually quoted an article from *Harper's Monthly*, published in the fall of 1933, in which Marquis Childs had delivered an early sketch of his ideas under the title "Sweden: Where Capitalism is Controlled". Several key themes in *The Middle Way* were outlined in this article, but some of the points Childs made at this time did actually differ significantly from what he would say two years later.

By this time there were several voices celebrating Sweden as something remarkable, and having a lesson to teach America. Some tended to depict Sweden as something of a Utopia, an approximation of a paradise on earth, rhyming "Sweden" and "Eden". For example, in November 1934 Rodger L. Simons published an article for *The North American Review* under the heading "The Garden of Sweden". It ended with the claim that the Swedes had come close to "a realization and attainment of what their Premier [Per Albin Hansson] calls 'samförstånd' [sic] – a Utopian dream of mutual understanding."⁹ In the months before, Henry Albert Phillips had published two articles on Sweden in *The Literary Digest*. The first piece did probably introduce the notion of Sweden as a "model" for the first time, as it was titled "Sweden as a Rooseveltian Model". The lengthy subtitle summarized the message quite well: "With the Welfare of Worker Its Watchword, the Respect for and Maintenance of Individual Rights to Freedom and Well-Being Are Basis of State's Socializing Process."¹⁰ The second article had a more specific theme. Under the heading "Lapland: Utopia of Welfare for the Worker" it dealt with the world of the partly state-owned mines in northernmost Sweden. The subtitle claimed that in Kiruna "some of Roosevelt's ideals are realized". And the readers were told: "What Karl Marx, what Lenin, what Hitler, and, in particular, what Franklin D. Roosevelt have been theorizing about, has been realized, to an amazing degree, without fuss, for the last two decades, or so, in the

8 *The New Yorker*, November 10, 1934 ("Markets and Menus: News for Norsewomen").

9 Rodger L. Simons "The Garden of Sweden", *The North American Review*, Vol. 238, No. 5, November 1934.

10 Henry Albert Phillips, "Sweden as a Rooseveltian Model", *The Literary Digest*, September 15, 1934.

little town of Kiruna, some distance north of the Arctic Circle, in Lapland. Kiruna is the workman’s paradise.”¹¹ Sweden as a case in point showed that what seemed to be utopian dimensions of the New Deal were feasible, as they had been actually realized in Sweden.

When Childs sent his final manuscript of *The Middle Way* to the printing press at the turn of the year 1935-36, his intention was clearly to say something completely different about Sweden as a case in point. Sweden was *a fortiori* not a Utopia. There was no “socializing process” to study in Sweden – at least not on the part of the state. Whatever the point was in taking notice of the Swedish case, it had absolutely nothing to do with Marx, Lenin, or Hitler. And although it seems clear that one of the book’s aims was to deliver intellectual support for the New Deal, another goal was obviously to influence the orientation of the New Deal – to contribute to pushing Roosevelt’s policies in a certain direction.

Hothouse laissez-faire

Sweden: The Middle Way was not a book about Per Albin Hansson’s Sweden. The Prime Minister was interviewed and portrayed in passing with sympathy in a chapter called “Socialists, King, and Capitalists”. In particular Hansson’s ideals of compromise and consensus-creation, the ethos of “samförstånd”, was appreciated and turned into a key support for Child’s general picture of what was characteristic of Swedish mentality and political culture. A major point was “the Swede’s” presumed complete lack of interest in Utopian visions or general plans for designing the perfect society. On the contrary the major characteristic of “the Swede” was his very down-to-earth practicality. In short: the Swedes were pragmatic problem solvers, not lofty visionaries:

The wisdom of the Swedes lies above all in their willingness to adjust, to compromise, to meet what appears to be reality. They have not been bound by a “system”, nor have they been committed to a dogma. In a sense they are the ultimate pragmatists, interested only in the workability of the social order. This may explain why their contribution to political and social thought has been slight. Instead Sweden has offered the world a very salutary example of peace and well-being.

11 Henry Albert Phillips, “Lapland: Utopia of Welfare for the Worker”, *The Literary Digest*, October 27, 1934.

If this has been achieved by adaptation and modification rather by invention, it is none the less important.¹²

In accordance with this analysis Childs made a consistent point of what he perceived to be the *continuity* in Swedish politics. Obviously, not much could have been achieved by “adaptation and modification” in three years hampered by international crisis. Instead of radically changing the state’s role in Swedish society, the new Social Democratic cabinet had basically carried on a tradition of practical compromise between major interest and principles, a tradition of constructive problem solving, by a line of conservative and liberal cabinets in the decades since the industrial breakthrough. This continuity was one of the keys to explaining Sweden’s fortune in terms of material wealth.

A major theme in Childs’s book – actually the basic reason for claiming the little kingdom deserved any special attention in the mid-1930s – was obviously her relatively fortunate path through the depression. Among the industrialized democracies of the world, Sweden appeared to be the single one showing real signs of regaining steam. The central message of the book was that true democracy was compatible with top-rate economic efficiency and material prosperity. Thus, there were other ways to avoid capitalism’s deadlock than the paths of Stalin, Hitler, and Mussolini. But in Childs’s take on the matter, this was not a message celebrating the Social Democrats’ economic policies. *The Middle Way* was not a book about Finance Minister Ernst Wigforss’s Sweden. Indeed, the author was strongly in favor of the new cabinet’s improvised proto-Keynesian ambitions. But in his analysis of the underlying causes of Sweden’s relatively smooth way through the depression, he was quite skeptical with regard to the extent to which recent economic policies actually had had any substantial effects on the big picture. The effects, if any, were sound – but hardly more than marginal. The reasons Childs presented for this cautiousness are strikingly similar to what future historians would usually say about the matter. Sweden was wonderful, but not at all due to any wonders created by Social Democratic economic policies.

To put it simply, *The Middle Way* was mainly a book about *Albin Johansson’s* Sweden. Today few Swedes would recognize this name. Johansson was the leader of the consumers’ cooperation movement. Cooperative

12 Childs, *Sweden: The Middle Way*, [1936] Second Edition, New Haven: Yale University Press, 1938, p. 161.

forms of enterprise and their potential role in a national economy was actually the major theme of the book, and this was not only the case in the first three chapters, which offered a strikingly well-informed delineation of the consumer co-ops' history in Sweden. The following chapter on housing remained focused on the role of cooperative ownership. The theme of co-ops was actually quite as defining of the book as the focus on Swedish society and Swedish mentality was: one chapter actually dealt with Danish society. The reason was the role played by farmers' cooperatives there (which was even stronger than in the Swedish case).

As many future Swedological books, *The Middle Way* was in a certain sense actually a book about Scandinavia, although putting Sweden in the center of the limelight. The main reason for doing so was very clear in Childs's take on Scandinavia: whereas Denmark was a success as a producer of agricultural products – in Childs's view not least thanks to producers' co-ops – Sweden was taking a leading position in Europe's *industrial* development, thus becoming a frontrunner in terms of *industrial* modernity. As mentioned, the core message of *The Middle Way* was that economic success through efficiency and true democracy were compatible entities. The overarching theme, showing this to be the message that the Swedish case sent to the world, was the way in which the consumers' co-op movement, by means of grassroots democracy – being the quintessential exponent of the phenomenon of popular movements in Swedish society – was purposefully pushing the Swedish economy in the direction of constantly increased efficiency.

What was the problem with contemporary capitalism, as the market economies of the West seemed to have reached a dead end in the depression? Revealing his intellectual roots in certain traditions of American progressivism, Childs made it clear that the problem was that market forces tended to put themselves out of function by the development of monopolies. This was what the Swedish co-ops had been fighting all along. They had started out challenging the local monopolies of retailers. Organizing themselves beyond the local level, they had immediately taken it a step further into the wholesale business – creating healthy competition there by means of vertical integration. The national organization Kooperativa Förbundet (KF), founded in 1899, came to play the role of wholesale supplier to the member-controlled local shops. Soon the movement went into production, in a further step of vertical integration. It had been crushing the power of trusts and cartels, starting with margarine in the beginning of the century, and recently expanding into stuff like light

bulbs and rubber boots. In several cases the co-op movement had been able to crush cartels by the sheer threat of starting their own factories in new lines of business. Under Albin Johansson's leadership this had been done with first-rate business shrewdness, with the result that what was on the one hand an idea-based democratic popular movement had also become one of the country's financially strongest enterprises – in the wholesale and retail trade the obvious market leader, and the frontrunner in terms of developing new strategies and methods. While regarded as an exponent of “socialism” by their competitors – an interpretation obviously supported by the strong ties and personal overlaps with the socialist labor movement, the Social Democratic party and the trade unions – this was in fact a strictly private-sector phenomenon, growing from the bottom up. What Childs reported was that its main intention as well as its major result was making a market economy work more like it was supposed to.

While soon abandoning the *utopian* visions of its British model, the Rochdale-movement, the Swedish co-ops had, Childs stressed, clung strictly to its ethical ideal of “production for use, not for profit”, and sought to apply it with everyday efficacy. The main target had thus soon become to fight profits that did not reward better products and lower prices for the consumers – rather the opposite – by instigating competition. This attitude, ignoring long-term visions of an ideal society, but patiently pursuing very decided *values*, was one of the major virtues of the movement, and in this respect it epitomized what Childs presumed to be the Swedish national character. Apropos of the early battles with the Swedish margarine cartel, he applauded “the remarkable ability of the Swedes to concentrate upon an immediate, practical problem, bringing to the issue of the price of potatoes not only intelligence and acumen but even a kind of ardor”.¹³

The struggle of the co-ops became the lens through which Childs regarded the rest of Swedish society. A succession of pragmatic conservative and liberal cabinets had done similar things, giving the state a parallel role. Only a marginal part of Swedish industry was state owned or partly state owned. But when the government had decided to take a role as an owner of means of production, the intention had not been to “socialize” at all. The target had mainly been to shape conditions for working competition. Following this tradition in a basically congenial way, the new Socialist cabinet had done nothing in the direction of socializing industry. (And there would never be any reason for Childs to say anything new

¹³ Ibid., p. 4.

on that matter in his updated introductions to the new editions of *The Middle Way* during the following decades.) Another parallel to the cops’ function in society was the role of the trade unions within the labor market. By shaping a system of collective bargaining and agreements on a national level, it had been putting the sellers of the labor force on an equal footing with the buyers – to a large extent stopping Swedish employers from competing with low wages and bad labor conditions instead of productive efficiency, high quality and innovation. Childs had obviously observed how the mode of thinking within the Swedish trade unions was rapidly developing in exactly the direction he favored himself. He actually chose to focus his continued analyses of the land of the Middle Way the years after he had published his bestseller on precisely these issues.

In the fall of 1938 Childs published a sequel, *This is Democracy: Collective Bargaining in Scandinavia*. In this book the recent developments in the negotiations between organized employers and trade unions was turned into the paradigm of depicting Swedish democracy broadly as a socio-political culture of grass roots activity and organization, negotiation and dialogue, and of pragmatic harmonization of major interests within society. While perceptively catching much of the spirit behind the process shaping the basic agreement between the unions and the employers of December 1938 – the epoch-making labor peace treaty of Saltsjöbaden – Childs made a mistake. He published his book some weeks too early. As soon as the Saltsjöbaden agreement was signed, and soon after made available in English, his exposition ceased to be up to date. (This was to a lesser degree also the case with the report of the Roosevelt administration’s Commission on Industrial Relations in Sweden, which was published about the same time.) *This is Democracy* never became a bestseller. Its image of peace by means of negotiation, serving domestic productivity and wealth, was soon drowned in the war years’ flood of reports on international conflict, destruction and waste.

Childs’s second book on Sweden/Scandinavia has largely been forgotten. But it is useful as a key to a fuller understanding of the political bearing of the argument in his first one. *The Middle Way* was not supporting the tendency towards partial socialization and large-scale central planning on the part of the federal state within the New Deal. It did not encourage Roosevelt to mix capitalism with socialism, in the sense of state ownership and planned economy. It did not support expanding the power of experts, penetrating people’s private lives with measures of social control. The closest thing to recommending such forms of “social

engineering” (a term never used in the book) was a chapter celebrating the Bratt system of alcohol control, which had been initiated by liberals in the 1920s (as an alternative to prohibition), and would be abolished by the Social Democrats in the mid-1950s. Actually, Childs used the Swedish case to recommend America of the New Deal to try to make capitalism work consistently, according to its supposed principles. The middle-of-the-road was not localized between *working* capitalism and state socialism, but between socialization and a dysfunctional, self-effacing market economy, disrupted by unchecked and unbalanced private business power. And the key lesson of Sweden was that *making capitalism work* might plausibly best be done bottom-up rather than top-down, and in that sense in a genuinely *democratic* way. Summing up his argument Childs wrote:

Sweden is almost the only country in the world in which capitalism has “worked” during recent decades. Checking the evolutionary development of capitalism at the point at which monopoly tends to distort the cycle of prosperity and depression, the Swedes seem to have interrupted the process of self-destruction which marked the economic life of other industrialized countries. In a sense it is the only country where *laissez faire* has continued to exist: where the so-called “laws” of supply and demand have not been wholly invalidated by the spread of monopoly. [...] The degree of *laissez faire* that has continued to exist in Sweden is, in a manner of speaking, hothouse *laissez faire*. It exists under a bell-jar. The state, the consumer, and the producer have intervened to make capitalism “work” in a reasonable way for the greatest good of the whole nation. I have tried to show [...] how this has been done: through state ownership and state competition; consumers’ coöperation; producers’ coöperation, and a strong, all-inclusive labor movement. That this constitutes a fairly well-defined middle course seems to me obvious; it is a course between the absolute socialization of Russia and the end development of capitalism in America.¹⁴

This is Democracy – the American Way

It should be no surprise that Childs after World War II would be one of the authors who described and interpreted the many federal projects of the New Deal. What he actually chose to write a whole volume

¹⁴ Childs [1936] 1938, p. 161.

about, can hardly surprise the perceptive reader of *The Middle Way* either. In 1952 Childs published *The Farmer Takes a Hand: The Electric Power Revolution in Rural America*.¹⁵ In this book he told the story of the Rural Electrification Administration (the REA), created in May 1935, and of the network of local cooperatives that carried this aspect of industrial modernity to far-flung parts of the United States. At the peak of the Cold War tensions Childs was particularly eager to say that this was not in any way a story about socialism. Instead, it was basically a matter of dealing with a resource that by its nature shaped monopolies. The problem with this was that commercial power companies found rural electrification too unprofitable to serve a whole category of potential customers. The matter had been handled in a way that gave the initiative to the local farmers, a popular movement, reducing the federal administration to the role of a helping hand (providing credit and advice). The rural electrification project thus epitomized the all-American principle of self-government, in Childs’s interpretation. That the American Way in this case was precisely the Middle Way which Childs had prodded the New Deal to take in 1936, putting forth Sweden as the key case in point, is obvious. The middle-of-the-road he had in mind had obviously nothing to do with what President Eisenhower in 1960 would speak of in terms of “socialist philosophy” and “complete paternalism”.

The case of rural electrification also gives a hint about the specific strand of American progressivism that Childs had used as his point of departure, celebrating Albin Johansson’s Sweden as the land of democratic efficiency. The man who Franklin D. Roosevelt elected to direct the creation of the REA was an engineer named Morris L. Cooke.¹⁶ Besides having been a relatively radical progressive since the days of Teddy Roosevelt, Cooke had also been one of the closest apostles of the efficiency prophet Frederick Winslow Taylor. After Taylor’s death in 1915, Cooke had been the central figure in turning radical, “orthodox” scientific management in

- 15 Marquis Childs, *The Farmer Takes a Hand: The Electric Power Revolution in Rural America*, New York: Doubleday, 1952. The book was republished by the National Rural Electric Cooperative Association in an expanded version in 1980 under the title *Yesterday, Today, and Tomorrow: The Farmer Takes a Hand*. In the same year Childs’s third book on Sweden was published: *Sweden: The Middle Way on Trial*, New Haven & London: Yale University Press, 1980.
- 16 Kenneth E. Trombley, *The Life and Times of a Happy Liberal: A Biography of Morris Llewellyn Cooke*, New York: Harper & Brothers Publishers, 1954; Jean Christie, *Morris Llewellyn Cooke: Progressive Engineer*, New York: Garland, 1983.

the spirit of Taylor into a program for the democratization of industrial life based on genuine trade unions and collective bargaining. The basis of this conception was Taylor's vision of a true harmony of interests between workers and employers – provided the prospect of the two parties working together to increase the volume of output so much that the matter of how to share the surplus would become trivial. It was precisely this mode of thinking, introduced in Sweden immediately after World War I, that would become the intellectual backbone of the Swedish Model within the labor market, launched with the Saltsjöbaden agreement in 1938.¹⁷ In that year Cooke also became one of the many American progressives, turned enthusiastic New Dealers, who chose to take a vacation in Sweden. Obviously he did so in the wake of the Sweden-fad that Marquis Childs had twisted in a strictly anti-utopian, efficiency oriented direction, with a focus on practical bottom-up democracy.

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17 See David Östlund, "Från patriarkal välvilja till intressejämkningsstrategi", in *125 år med Corporate Social Responsibility* (Näringslivshistoria 1), Stockholm: Centrum för Näringslivshistoria, 2009, and the literature referred to there.

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