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ARTICLE

Neoliberalism from Within: The Business Fund and the Struggle for Market Ideology in Sweden

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This article discusses the Swedish Business Fund (*Näringslivets fond*) from its creation in 1940, over the postwar decades of welfare state consensus and the radicalised 1970s into the privatisation drive of the 1980s. The article shows that the Fund was created to break the business interest out of the corporatist model and establish it as a market liberal voice in Swedish politics. In doing so, a main ambition of the Fund was to act as a battle instrument for business, and the article shows that it demonstrates a continuous presence of Hayekian thinking with the welfare state. The article revisits the story of the so-called wage earner funds debate (1976–83) and argues that the Fund saw anti-funds mobilisation in view of the preparation of a larger programme of privatisation.

Introduction

In October 1940, a small group of Swedish companies came together and created the Business Fund (*Näringslivets fond*; hereafter the Fund). The thirteen companies were some of Sweden's largest export and merchant companies. They came together because of concern with the corporatist arrangements that had developed since the outbreak of the Second World War. Sweden was under capital restrictions, prices and quotas in import goods were set in new dialogues of concertation between business councils and the social democrat government. In 1940, the outcome of the war seemed bleak and Swedish business was preparing for a new German European order, in which Swedish industries would surely be allowed to exist but forced to integrate into a coerced economy.[1] Beyond this question was another, long term one: Swedish social democracy had gained power in 1932 and there was, to the Fund, an obvious risk of collectivisation (not everyone shared this view).[2] The creation of the Fund was also a reaction to an internal division that had formed between business organisations during the turbulent decades of the 1920s and 1930s. The corporatism that had grown in the Nordic countries from the First World War had divisive effects. Some business circles felt protected by the state. Others felt that the world of a competitive and pluralist market order was disappearing. The 1940 meeting established the Fund as a semi-clandestine organisation outside of the established voices of business. It would maintain this outsider position over the post-war period, well into the present. The outsider role allowed the Fund to play a behind-the-curtains oppositional role in Swedish politics. It pushed a programmatic stance, namely to defend the 'free market'.

In this article, I argue that the long history of the Fund, from its inception in the first years of the 1940s over the decades of welfare state construction, to the return of the opposition between the free

[1] Memo, 31 Oct. 1940, Hernod papers, *Centrum för näringslivshistoria*, Stockholm (CfN). All archival notes go to CfN. In the collections I have used the Hernod papers; SAF records including records of Timbro, *Ekonomifakta*, MAS, and Sture Eskilsson's personal papers; and the papers of the Fund (NF). I am grateful to the archival staff at CfN.

[2] Rikard Westerberg, *Socialists at the Gate: Swedish Business and the Defense of Free Enterprise* (Stockholm: Stockholm School of Economics, 2020).

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and the planned economy in the 1970s and 1980s, offers a central explanation of how neoliberal arguments grew in Sweden. This was not, I argue, as an effect of diffusion from transnational neoliberal networks, and it was also not a simple reaction to trade union radicalism and the so-called wage earner funds proposal after 1975. The story of the Fund shows the continuous presence of market liberal ideas in a small but, over time, highly important group of capital actors. The long perspective – from the pivotal years in the 1940s, over the radicalised 1970s, the privatisation drive of the 1980s and the end of corporatism in the 1990s – allows us to uncover an unknown story of how central business actors used the Fund to pursue specific ideas of the – to them – necessary political role of capital actors in defence of principles of ownership and competition, apparently at odds with the corporatism of the so-called Swedish model.

Understanding the activities of the Fund changes the established historiography of not one but three key periods in Nordic political history: the interwar years and the formative moment of the welfare state in 1932; the consensus years of liberal-social democrat compromise between 1932 and 1976 (during which time, it has been argued, vocal market arguments retreated); and the role played by the wage earner funds debate from 1975 on in terms of ending post-war consensus. In Nordic historiography, the Swedish wage earner funds debate, which began with the radical proposal for a gradual increase in trade union ownership over shares in the multinational companies that came from the trade union federation (*Landsorganisationen*; LO) in 1975, leading to the aggressive campaign against 'fund socialism' from the Swedish Employers Federation (SAF) in the years after, plays an iconic role as the great post-war watershed moment.[3] Through the longer view of the activities in the Fund, the wage earner funds debate appears distinctly less as a pivotal event and more as a strategic opportunity to exploit by actors whose mind frame was in fact already set three decades earlier. While this is of immediate relevance to Nordic historiography, the story of the Fund is also highly relevant to a broader question of the relationship between domestic forms of market critique and the transnational circulation of neoliberal ideas, what Ben Jackson has called the 'inside out–outside in' problem.[4] In light of the growing literature on the political role of business organisations in the post-war period, the Fund appears as exceptional due to the concentration within it of a small number of multinational companies to be, the sheer volume of the capital resources it collected from its members, and its defence of a Hayekian frame: the idea that a certain market elite carried the historical responsibility for defending market ideology in opposition to all forms of collectivism. As such, the Fund occupied an oppositional stance throughout the long era of the welfare state, in ways that had enduring effects on Swedish political history.

The article positions the Fund in the context of a wider history of neoliberalism and a turn to ideas of the free market in business organisations. It proposes that the introduction of neoliberal ideas into a predominantly social democrat Swedish society took effort and significant amounts of financial, political and ideological capital. These efforts were not simply directed against social democracy but against a larger welfare capitalist framework that included business actors themselves. Between 1940 and 1975, the Fund built a new landscape of thinktanks and campaign entities with a view to challenging social liberal and corporatist views. From the early 1980s, it was instrumental in drawing up large-scale plans for privatisation.

The next section discusses the Fund in the context of the literature on neoliberalism as an outcome of the radicalisation of business organisations, and I put neoliberal ideas in the interwar Nordic context of the rise of corporatism. Section two returns to an earlier historiographical discussion around the Fund, complements this with archival finds, and argues that the Fund was constituted in 1940

[3] For instance: Hans de Geer, *Arbetsgivarna. SAF i tio decennier* (Stockholm: SAF, 1992); *Från folkhem till nytt klassamhälle. Ett högerspöke berättar* (Rimbo: Fischer & Co, 2005); Westerberg, *Socialists at the Gate*; Rikard Westerberg, *Den sista striden* (Stockholm: Fri tanke, 2023); Jonas Pontusson, *The Limits of Social Democracy: Investment Politics in Sweden* (Ithaca: Cornell University Press, 1992), Greg Olsen, *The Struggle for Economic Democracy in Sweden* (Avebury: Aldershot, 1992), Ilja Viktorov, *Fordismens kris och löntagarfonder i Sverige* (Stockholm: Stockholms Universitet, 2006).

[4] Ben Jackson, 'Putting Neoliberalism in its Place', *Modern Intellectual History* 19, no. 3 (2022): 982–95.

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as a political battle fund for the business interest. The section further shows that the propaganda effort built by the Fund between 1940 and 1980 had the long term in view, and aimed to create a social basis for what was termed 'market ideology', by stirring forms of market spirit in a widening constituency of stakeholders inside and outside of the business community. Section three problematises the chronology of the anti-wage earner funds mobilisation, and shows that the anti-wage earner funds campaign was the pivot for a much larger campaign theme around property rights, ownership and privatisation, which had begun before the infamous 1975 proposal. The final section of the paper shows that the turn to a kind of aggressive campaigning and neoliberal repertoire around the anti-funds campaign led to significant protest inside the business community, and that the large privatisation effort from 1985 on can be interpreted as a way of quelling these protests and reshaping ideas of common interest.

Corporatism, Social Liberalism and Neoliberalism: The Business Fund as Market Avantgarde

The story of the Fund shows the highly disruptive nature of neoliberal ideas to business identities, and underscores that there were strategic and historic reasons why certain domestic actors turned to transnational networks. The historical literature on neoliberalism has emphasised diffusion from transnational intellectual networks, including the Mont Pelèrin Society (MPS).[5] This is a relevant context for the Fund, but it's not sufficient. In 1944, the Fund paid for the translation of Hayek's *The Road to Serfdom* as *Vägen till träldom*. It fuelled the description of the social democrats as Bolsheviks and the Fund's idea of business propaganda as a long-term strategy with a view to engineer a radical cultural shift.[6] I use the term Hayekian, therefore, to refer to the idea that the central challenge to the free men of enterprise was to act as the 'second hand dealer in ideas' in order to infuse public life with ideas of the free market.[7] As leading intellectual historians have shown, the idea of the necessity to construct such an avantgarde led to the creation, after the Second World War, of new thinktank structures and spaces for opinion work and lobbying for the business interest, including not least the Institute for Economic Affairs in the United Kingdom.[8] Importantly, these organisations were not all the same. Some were created as watchdogs on planning and nationalisation; others had a broader purview of industrial education and rationalisation; and yet others were market radical or existed to promote specific ideas on competition or entrepreneurship. Olsen, in his study of the Danish Business Information Council (*Erhvervenes oplysningsrad*; EO), created by Christian Gandil, refers to the EO as part of a set of 'high bourgeois modernist' structures that embodied a pragmatic, ideational defence of entrepreneurship and competition.[9] The EO was created in 1944, four years after the Fund. There were important differences: the EO was based on sectoral business organisations, and focused on study and information. In contrast, the Fund was created by a direct capital contribution from a handful of companies. These represented a particular segment of highly internationalised, liberalist export industries, and, as will be shown, they rejected the idea of propaganda as predominantly study and information, and argued that the Fund's role should be devoted to articulating a political role for the business interest. The EO did not survive the death of its president Gandil, whereas the Fund had a continuous presence from 1940 to the second wave of neoliberal ideas in the 1970s and 1980s and beyond. Due to the complicated archival situation, previous research has dated the

[5] Philip Mirowski and Dieter Plehwe, *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective* (Cambridge, MA: Harvard University Press, 2009).

[6] Leif Lewin, *Planhushållningsdebatten* (Stockholm: Tiden, 1967), 308–16; Westerberg, *Socialists at the Gate*, 107f.

[7] Niklas Olsen, 'Second Hand Dealer in Ideas: Christian Gandil and Scandinavian Configurations of European Neoliberalism, 1945–70', in N. Olsen and H. Schulz Forberg, eds., *Reinventing Western Civilisation: Transnational Reconstruction of Liberalism in Europe in the Twentieth Century* (New York: Cambridge University Press, 2002), 138–58.

[8] Ben Jackson, 'The Thinktank Archipelago: Thatcherism and Neoliberalism', in N. Olsen and H. Schulz Forberg, eds., *Reinventing Western Civilisation: Transnational Reconstruction of Liberalism in Europe in the Twentieth Century* (New York: Cambridge University Press, 2002), 189–209.

[9] Olsen, 'Second Hand Dealer'.

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Fund to 1942 or even 1944, but it was constituted in October 1940, years before the constitution of the MPS.

The Fund appears as more radical than other Nordic equivalents, which also partook in debates over privatisation but did not break with the corporatist tradition.[10] The division between the Swedish and Danish cases highlights a problem in intellectual histories of neoliberalism, namely, the temptation to identify points of connection to the MPS at the expense of more careful histories of reception and rejection. Within the rich histories of European capitalism, there was not one natural ideology of business, nor was there only one view of the state–market relationship.[11] This is particularly relevant for spaces such as the Nordic countries, where market liberal ideas struggled to gain a foothold on the right. The Fund sought out neoliberal transnational networks at specific points in time when it thought their arguments could be used domestically – it did so in 1944 with the translation of *The Road to Serfdom* and it did so again after 1978 when the thinktank Timbro, created with capital resources from the Fund, engaged in a large editorial push, introducing the neoliberal canon. Behind this story is a more complex one, in which the introduction and diffusion of neoliberal ideas often met with protest and reaction from Swedish society, including from important parts of the business community itself. This critique posed an existential dilemma to the Fund, explaining at least partly the tendency to often do things clandestinely or under cover.

Recent studies of the Fund, and with it related entities such as the 4 October Committee, have not paid sufficient attention to the role of protest and resistance but have rather argued that business propaganda, including the 1970s anti-wage earner funds campaign, turned business into a 'social movement'.[12] If it *was* a social movement, it was a fractured one, top heavy and disciplinary. In 1940, the Fund's very creation was motivated by the desire to use the corporate elite in order to create an oppositional stance. The avantgarde nature of the Fund has been underestimated. Economic historian Rikard Westerberg, in his doctoral dissertation on the propaganda campaigns of SAF, showed that business lobbied against the welfare state at two key intervals – in resistance to planning between 1944 and 1948, and again between 1975 and 1983.[13] Westerberg saw business mobilisation as defensive, motivated by the need to stop social democracy – the 'socialists at the gate'. A more recent study again suggests viewing the mobilisation against the wage-earner funds as an historic mass mobilisation of business against 'socialist funds'.[14] We know from several other studies that the business elite in SAF in the late 1970s and 1980s made significant efforts at popularising the market economy theme, including through large public propaganda campaigns.[15] These campaigns depended on the capital resources in the Fund and on a campaign infrastructure that had been built over the post-war decades. They were not only targeted against social democracy but at a widening range of stakeholders, including the business community. My essay shows that every time the Fund met with resistance, campaigning intensified, and it often aimed at what was perceived as a problematic social liberal inscription and pro-welfare state attitude in business.

Tracing the Fund's history back to the 1940s as part of an argument of continuity allows me to show that the turn to the right in Swedish political life after 1975 was prepared during the long decades

[10] Julian Lamberty and Jeppe Nevers, 'The Voice of Business in Denmark's Neoliberal Turn', *Scandinavian Journal of History* (May, 2023); Maiju Wuokko, 'The Curious Compatibility of Consensus, Corporatism, and Neoliberalism: The Finnish Business Community and the Retasking of a Corporatist Welfare State', *Business History* 63, no. 4 (2019): 668–85; Maiju Wuokko, 'Business in the Battle of Ideas, 1945–1991: Conclusions from the Finnish Case', *Scandinavian Economic History Review* 65, no. 3 (2017): 279–93.

[11] Kim Phillips Fein, *Invisible Hands: The Making of the Conservative Movement from the New Deal to Reagan* (New York: W.W. Norton, 2009).

[12] Rikard Westerberg, 'Swedish Business as Social Movement? Mobilising the Masses against Wage Earner Funds 1975–1991', *Business History*, published online 16 Jan. 2024.

[13] Westerberg, *Socialists at the Gate*.

[14] Westerberg, *Den sista striden*.

[15] Bo Stråth, *Mellan två fonder. LO och den svenska modellen* (Stockholm: Atlas, 1998); Orsi Husz, Elin Åström Rudberg and David Larsson Heidenblad, 'The Making of All Man's Capitalism', in Jenny Andersson and Chris Howell, eds., *Nordic Neoliberalisms* (London: Routledge, 2025).

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in which business apparently accepted the welfare state, and that the Fund was organised with an eye to exploding what it considered to be a constraining frame. The Fund viewed the creation of a market ideology as a way of constructing a business identity outside of the corporatist framework. This is a potentially important argument about the way in which neoliberal ideas developed in the Nordic countries. In the Nordics, business was predominantly turned to the welfare state, and business organisations mainly sided with social policy arrangements, accepted corporatist arrangements, and, more often than not, saw the state as a protective mechanism against the competitive pressure of global markets.[16] Formal business organisations accepted the elements that became the signifiers of the Swedish welfare state in the period after 1938 – tripartite wage bargaining, universal social policies, concertation between government and business organisations.[17] At the same time, there were periods of heated political struggle at moments of strategic importance, such as the two elections in 1944 and 1948, as well as after 1979, when important parts of the political right thought the time had come for a market liberal alternative. Throughout the post-war period, business actors protested currency regulations and the regulation of shareholding. The story of the Fund in fact shows that business spoke, as Francis Sejersted has suggested, with two voices: one within the representative channels of the model and another outside it.[18] In this outside world, the Fund was central in discussions of a needed market liberal political opposition, and over time, the positioning outside of formal business organisations was what allowed it to push for alternative conceptions of the business interest.

This outside position poses a methodological challenge. The Fund figures only tangentially in the many works and memoirs written during the salient decades of Swedish political history.[19] Activities have to be traced to a larger nebula of structures that were, entirely or partially, controlled by the Fund, and after 1978 they strongly merge with the activities of neoconservative thinktank Timbro and its ideational architect, economist Sture Eskilsson. Other forms of influence can be conjured but are difficult to prove. Marcus Wallenberg Jr was intended to chair the Fund but declined and rarely figures in the protocols, although his presence is sometimes indicated. Other historians have shown that Wallenberg intervened at several points in the 1940s with significant contributions to the Fund, or to proximate entities, and there is some evidence of later direct financial contributions, but mainly the contributions came through the member companies of the Fund, several of which belonged to the Wallenberg sphere.[20]

Building Political Capacity: The Fund between 1940 and 1980

An older wave of historiography emphasised the role of the Fund in the divisions created by the first decades of the twentieth century. During the 1920s and 1930s, ideas of market liberalism struggled to emerge as conservatism and social liberalism dominated Swedish politics. There were two formal business organisations: SAF, created in 1902 in reaction to labour demands for the franchise, and the National Association of Manufacturing (*Industriförbundet*; SIF), created in 1909. In the 1920s and 1930s, both these organisations were drawn into the corporatist model as it developed. SAF's role was to represent the employer interest in tripartite bargaining. SIF was committed to political neutrality and held predominantly social liberal views. Around these two organisations were other entities such as the Bankers Association (*Bankföreningen,* which included both the *Wallenberg Enskilda banken* and its historic rival, *Handelsbanken*), *Exportföreningen* and the Taxpayers

[16] Jeppe Nevers and Thomas Paster, 'Business and the Nordic Welfare States, 1890–1970', *Scandinavian Journal of History* 44, no. 5 (2019): 535–51.

[17] Peter Swenson, *Capitalists against Markets: The Making of Labor Markets and Welfare States in Sweden and the United States* (New York: Oxford University Press, 2002).

[18] Francis Sejersted, *The Age of Social Democracy: Norway and Sweden in the Twentieth Century* (Princeton: Princeton University Press, 2011).

[19] de Geer, *Arbetsgivarna*, 191. Söderpalm and Stenlås were refused access to the archives of the Fund.

[20] Niklas Stenlås, *Den inre kretsen. Den svenska ekonomiska elitens inflytande på partipolitik och opinionsbildning 1940–1949* (Stockholm: Arkiv, 1998), 69–70.

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Association (*Skattebetalarnas förening*, created by Marcus Wallenberg Snr in 1921).[21] In the interwar period, business organisations took different positions on the key political issues of tariffs and the franchise. In the early 1930s, liberals and major industrialists supported the social democrat advent to power. In the decade after, business representatives partook in social democrat led commissions, in which nationalisation objectives were replaced with industry concertation. These experiences from the 1930s led many in the business community to think that social democracy had become a trustworthy partner – but also created the impetus for the Fund.

Economic historians have argued that Swedish capitalism was divided between: large family-owned companies and smaller entrepreneurial firms; Stockholm-based companies and banks and industries in the Swedish West that were export dependent free traders but also close to trade unions.[22] Two 1970s works by historian Sven Anders Söderpalm charted the activities of the directors of Sweden's large industrial manufacturing companies – ASEA, SKF, LM Ericsson, Electrolux, Separator – and showed that they first met in 1933, in opposition to concertation with the social democrat government around exports.[23] They continued to meet as Keynesian policies and agrarian subventions increased the need for the large export companies to monitor wages and prices.[24] Söderpalm linked the 'Directors' to the 'Families', mirroring an argument often made by economic historians, namely that Sweden from the late nineteenth century on saw a quick process of industrialisation, and that what over time became leading multinational companies grew from a small elite. The families did not stand to lose landed privileges through democratisation and made their accommodation with social democracy. Shareholder interest was boosted by wartime price controls and wage caps that created beneficial conditions during the post-war boom, until these effects were eaten up by inflation and currency devaluation in the 1960s and 1970s. The families' main concern was to preserve ownership and shareholder value.[25]

Historian Niklas Stenlås demonstrated in 1998 that the Fund emerged from this network of directors. Stenlås showed that the politically turbulent situation of the 1940s saw the creation of an 'inner circle' – an elite network of owners and directors between SAF, representatives of SIF, the families, and the major banks.[26] He saw this elite identity as more important than divisions over liberalism. I show that the Fund was divided in its views on social liberalism or market liberalism. The idea of articulating a business ideology beyond the existing representations of liberalism in Swedish politics sprung from this dilemma. Statutes of the constitutive meeting in 1940 spoke of the creation of a fund from capital contributions of a small number of select companies that committed themselves to working for an alternative future direction to Swedish politics, in opposition both to the social democrats and to 'powerless' liberal conservative parties. A political manifesto of sorts laid out the guidelines for work: the Fund was to shape a new business ideology around the principles of economic freedom, individual responsibility and entrepreneurship. The Fund should work to keep state action to mere defence and security purposes.[27] Companies offered a substantial capital contribution and committed themselves to a 'gift' of 6.5 per cent of annual profits.[28]

The first purpose of the Fund was to purchase the conservative newspaper *Svenska Dagbladet*.[29] Behind the *Svenska Dagbladet* affair was a larger controversy over business's political role. In 1938, SAF signed the Saltsjöbad treaty, which committed it to tripartite bargaining.[30] SAF chairman

[21] Ibid., 153.
[22] Rolf Henriksson, *Som Edström ville. Hur IUI blev till. Industriens utredningsinstitut* (Stockholm: IUI, 1990).
[23] Sven Anders Söderpalm, *Storföretagarna och det demokratiska genombrottet* (Lund: Gleerups, 1969); Sven Anders Söderpalm, *Direktörsklubben. Storindustrin i svensk politik under 30-och 40-talen* (Stockholm: Rabén och Sjögren, 1976).
[24] Söderpalm, *Direktörsklubben*. Henriksson, *Som Edström ville*, 20–25.
[25] Jan Glete, *Nätverk inom näringslivet. Ägande och industriell omvandling* (Stockholm: SNS, 1994).
[26] Stenlås, *Den inre kretsen*.
[27] Memo, 31 Oct. 1940; Protocol, 4 June 1940.
[28] Statutes, 1940, NF A2:1.
[29] Stenlås, *Den innersta kretsen*, 11.
[30] Söderpalm, *Direktörsklubben*. Henriksson, *Som Edström ville*, 20–25.

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Gustaf Söderpalm was central within the Fund, and documents show that he thought SAF needed the Fund for political purposes since these could no longer be expressed openly.[31] The following year, business actors had, at the initiative of the social democrat government, created the International Council of Swedish Industry (*Näringslivets Råd*; NR), which was formally charged with price and capital quota negotiations with finance minister Ernst Wigforss. In 1939, SIF had also created the Industrial Institute for Economic and Social Research (*Industriens utredningsinstitut*; IUI), a study group which developed into an important economics research institute.[32] Activities of the IUI went into the direction of 'study' or 'industrial enlightenment' (*upplysningsverksamhet*), on the basis of neutrality and integrated into the planning of the corporatist state. In contrast, the Fund understood the term 'propaganda' as initiating activities that aimed at a future liberal offensive. This translated into a clear difference between defensive and offensive strategies. An early document of the Fund set out a propaganda effort that aimed to clarify the difference between a liberal 'free' economy in contrast to what was presented as collectivist 'dirigisme' (*dirigerad ekonomi*, *planhushållning*). The purpose of propaganda was to 'defeat the prevailing tendency of forced collectivisation, regulation and collectivisation of all economic life'. This plan was said to have two directions – an 'inward line', with a view to counteract inner tendencies within business at cartels and monopoly concentration and to 'activate all forces to represent freedom views'; and an outward drive, to be fulfilled through the systematic documentation and collection of materials that could would serve as the basis for 'substantial public campaigns'.[33]

Throughout the 1940s and 1950s, the Fund's activities were divided between efforts at the construction of a positive programme for the business interest, efforts to popularise economics and entrepreneurship through correspondence courses for workers and industrial managers, and often secretive political campaigning. A first set of studies in the 1940s drew on liberal economists and jurists and were designed to show the future effects of collectivisation.[34] The Fund also launched a set of transnational activities, sending journalist Arvid Fredborg to the United Kingdom to study the British industrialist thinktank Aims of Industry.[35] In addition, the Fund created the first of a set of semi-clandestine activities in the so-called *Wenanderska byrån* (Wenander's Information office). The *Wenanderska byrån* was the basis for the 'secret bureau' (or *Winquistska byrån*) some years later. It was created to develop campaign materials for the liberal conservative parties.[36] The 1944 and 1948 elections represented the opportunity to oust social democracy and overturn the so-called post-war programme, which drew the contours of the welfare state. As the 1944 election was lost, the Fund's membership list grew and several Wallenberg companies joined the Fund (Atlas Diesel, Holmens bruk, Boliden gruv, Bofors, Husqvarna Vapenfabrik, Astra, Bolinder and Arvikaverken). The 1948 election was also lost, leading to the writing of a secretive memo in the Fund. It suggested that active mobilisation for the present would not be enough in a country as apparently thoroughly social democratic as Sweden. 'We may have come so far into the socialist society that the ideas on which our doctrine of freedom stand are not presently realisable.' The memo led to discussions within the Fund of a long-term strategy, aimed to gradually build a market ideological spirit among target groups like academics and students, craftsmen and small entrepreneurs and 'doubters' within the social democrat project. The long-term strategy would play on two levels – manifest politics should be avoided, but a political message should be embedded in popular economics education and socioeconomic debate. In 1948 an almost identical entity to the Fund, the Organisation of Industrial Cooperation

[31] Söderpalm, *Direktörsklubben*, 19; Memo, 16 June 1942, NF A2:1.

[32] Jennifer A. Delton, *The Industrialists. How the National Association of Manufacturers Shaped American Capitalism* (Princeton: Princeton University Press, 2020), 108–17; Stenlås, *Den innersta kretsen*, 15; Henriksson, *Som Edström ville*, 20–25.

[33] Memos 1940, 'Angående Näringslivets fond samt näringslivets instituts arbetsuppgifter', NF A2:1.

[34] The Fund first tried to enlist liberal economist Eli Heckscher, who refused the offer. See Ylva Hasselberg, *Vetenskapens karaktär: Eli F Heckscher* (Stockholm: Gidlund, 2021). The Fund and SNS published Erik Lundberg, *Konjunkturer och ekonomisk politik* (1954); Torgny Segerstedt, *Människa i industrisamhället* (1953); Henrik Munktell, *Svensk rättstradition* (1943).

[35] Memo, 1945, 'Angående vissa propagandaaktiviteter', NF A2:1.

[36] See Westerberg, *Socialists at the Gate*, 95; 'PM från sammanträde med kommittén för näringslivets frihet', 25 Feb. 1944, F21O:22.

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(*Näringslivets samarbetsorganisation*), created a tax resistance committee.[37] It was intended to work as a 'battle organisation' and broaden support for the Fund in a wider business community.[38]

The divergence between the Fund's insistence on political activity and a rival idea of neutrality came to the fore around the creation of the study group the Study Association of Industry and Society (*Studieförbundet näringsliv och samhälle*; SNS) in 1948. SNS, which played an important role in market liberal debates in Sweden in the 1980s and 1990s, was created with the particular ambition to settle labour capital relationships after the divisive campaigns of the 1940s. Documents behind the creation of SNS proposed that business would not win a struggle against the working class, and that propaganda should be geared toward objective study of the conditions of the mixed economy.[39] The Fund expressed its dissent in yet another secret memo: SNS's unpolitical role failed to take the lead in 'our entire struggle against regulation society and nationalisation'.[40] In the following years, the Fund began withdrawing economic contributions from SNS with the argument that its neutrality and scientific objectivity contradicted the need of a political message. This interpretation is entirely in line with Westerberg, who also shows that the Fund mobilised Nordic neoliberals Christian Gandils, Norwegian Tryggve Hoff and Arvid Fredborg (all MPS members) against SNS (yet insists that this was 'defensive').[41] By that was established a continuity: the Fund mobilised the networks of international neoliberalism in order to attack domestic social liberalism.[42]

As the 1948 election was also lost, the Fund rethought its strategy. The Fund was briefly revealed in a social democrat newspaper in 1947, which accused a wealthy club of fighting worker interest. This led to a change in the Fund's position: the objective was now to widen membership and constitute the Fund at the heart of a larger community of companies. In the spring of 1949, the Fund included all of Sweden's large industrial companies, and had capital funds of more than four million krona. In 1960, the Fund saw the need to cap the basis for gifts at 160 million krona in capitalised value, presumably to counteract the dominance of the largest companies.[43] In 1949, the Fund began to send lists to small entrepreneurs – mechanics, lawyers, small shopkeepers, gardeners – with a view to enlist these in the organisation of small businesses, the Entrepreneurship Association (*Företagareförbundet*).[44] In the 1950s the Fund also tried, but failed, to enlist the Liberal party (*folkpartiet*) chairman Bertil Ohlin for its market liberal message, and notes expressed the Fund's exasperation with Ohlin's conviction of coexistence with social democracy. During the 1950s membership in the Fund declined, and efforts to mobilise small entrepreneurs apparently failed as these turned out to be rather social democratically inclined, leading to consternation in the Fund.[45] A document from 1956 lamented that the division of business was such that no real representative organ for the business interest was possible, reaffirming the need for propaganda that aimed to slowly build a market spirit in Swedish society.[46] This saw the beginning of a new kind of propaganda effort. In the late 1950s or early 1960s, *Wenanderska byrån* developed into an entity called *Ekonomifakta,* which was placed within SAF. The creation of *Ekonomifakta* marked the beginning of a substantial effort to break the representative organs of business out of the corporatist frame and establish a political campaign role. At this point, it seems that the relationship between the Fund and the Wallenberg family tightened. Westerberg describes a meeting between Wallenberg Jr's son Marc Wallenberg, representatives of *Enskilda banken* and *Handelsbanken*, in order to discuss a secret bureau, which would act as a campaign instrument for the bourgeois parties in parliament.[47] The task was

[37] Protocol, 10 Jan.; 15 Jan. 1948, NF A2:1.
[38] *Näringslivets samarbetsorganisation*, Protocol, 18 Feb. 1948, NF A2:1.
[39] Protocol, 26 Apr. 1948, NFA2:1.
[40] Memo, 15 Mar. 1949, NF A2:2.
[41] Westerberg, *Socialists at the Gate*, 138, 155–57.
[42] Ibid., 93; Leif Lewin, *Planhushållningsdebatten*, 308–16.
[43] Statutes, 1945 and 1960, NF A2:1.
[44] Memo, 21 Apr. 1948, NF A2:5.
[45] Memo, 14 Sept. 1960, NF A2:5.
[46] 'Organisationsproblem inom stiftelsen Näringslivets fond', 12 Oct. 1956, NF A2:5.
[47] Westerberg, *Socialists at the Gate*, 169–70.

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entrusted to Carl Henrik Winqvist (who would later become private secretary to Marcus Wallenberg Jr in the International Chamber of Commerce). Winqvist was recruited by SAF chief economist Sture Eskilsson, and they set up the structures of the secret bureau and *Ekonomifakta*.[48] A 1963 document explicitly mentions a direct financial contribution from Marcus Wallenberg.[49]

Ekonomifakta developed into a research organ, the official role of which was to work as a fact finding entity for the conservative and liberal parties. *Ekonomifakta* also became the hub for a series of transnational exchanges with British and American conservatives. Study trips to IEA and the Republican Party in the early 1960s led to observations that the Fund should be used for activist political purposes.[50] *Ekonomifakta* continued the double strategy of working officially for the parties in parliament and developing in parallel a set of more clandestine propaganda activities. Some of its activities came close to surveillance and spying. Spying had already been experimented with in the mid-1950s when the Fund had paid a young economist, Sven Rydenfelt, for a study of Swedish communists.[51] In the early 1960s, large studies concerned white collar workers' political opinions, and in 1966 the bureau launched studies of anti-social democrat attitudes in groups identified as 'fringe groups', for instance low level typists and office clerks that were identified as susceptible 'receptacles' for business propaganda. White collar workers were understood to share a belief in the social progress of the welfare state but also a sense of fair play and advancement that could make them sensitive to market liberal views.[52] Workers and housewives were understood as being friendly to the themes of private entrepreneurship and tax.[53]

Activities intensified in the late 1960s in reaction to the development of a new social democrat industrial policy and not least the so-called *Koncentrationsutredningen,* or parliamentary investigation into concentration of ownership in Swedish industrial life, which aimed to look into the exceptional degree of concentration in Swedish ownership structures.[54] Social democracy won the 1968 election, and wild strikes broke out in the north. In 1974–5 cleaning ladies went on a wild strike in the ASAB mine in Malmfälten in Kiruna, and in 1978 car workers took to wild strikes in the south. *Ekonomifakta* produced scenarios of a 'winter of discontent' in Sweden.[55] These saw a risk for contagion in groups such as feminists and communists, and in consequence, the bureau made lists of suspected liaisons between trade unionists and journalists.[56] Such surveillance activities, targeting environmentalists and anti-nuclear activists, continued into the 1980s, in particular around the nuclear referendum campaign in 1981, which was also the first campaign drawn up by the PR agency Kreab.[57]

'You Shall Own!' Revisiting the Wage Earner Funds Resistance Campaign

Through the post-war decades, which have been mainly interpreted by historians and political scientists alike as the period when business actors accepted the welfare state, the Fund in other words built a propaganda archipelago for what had up to now been a marginal position around the 'free market'. The position of business actors vis a vis the welfare state has been shown by Nordic historians to

[48] Westerberg estimates that 26 per cent funding came from Enskilda banken. *Socialists at the Gate*, 171, 190.

[49] 'Utredningsbyrån Winquist', 30 Aug. 1962, NF A2:5.

[50] Protocol, 25 Nov. 1963, NF A2:5. 'Inför studiebesök i Amerikas förenta stater', 1962; letter, CJW to Bertil Kugelberg, 30 Aug. 1966, SAF F21 M:1.

[51] Protocol, 16 Nov. 1951, NF A2:3.

[52] 'Tjänstemannautredning', 1966, SAF F21M:1.

[53] 'Transkriberingar av intervjuer med mellangrupper', 14 July 1970, SAF F21 M:1.

[54] 24 Mar. 1970, NF A2:6. The Wallenberg family in 1970 owned over 30 per cent of Swedish industry.

[55] 'Anteckningar om de fackliga organisationernas framtida utveckling', 20 Dec. 1979; 'Den engelska situationen', 1 Sept. 1980, SAF F21M:3.

[56] 'PM om televisionen', SAF F21M:3.

[57] 'Rapport angående folkkampanjen nej till kärnkraft', 'Rapport angående två olagliga konflikter på svensk arbetsmarknad', SAF F21M:3. Marcus Wallenberg chaired the International Chamber of Commerce until 1967. From 1981 on, the Fund also started funding the Mont Pelerin Society; see 9 Dec. 1981, SE papers.

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be historically specific, and as the logic of welfare state-ism changed from an emphasis on social peace and class compromise in the interwar period into one that more assertively aimed to intervene into economic and social structures by the 1960s and 1970s, old oppositions returned. To these were added a growing divide in Swedish capitalism. Arrangements that had protected major national industries in the first half of the post war period – price controls, restrictions on capital and currency control – were no longer viewed as protections but as obstacles in an intense process of internationalisation. The wage earner funds proposal in 1975 was itself part of a radicalised co-determinism drive driven by labour reactions to the profits of Swedish multinationals.

Activities of the Fund have at times leaked into Swedish public debate and caused controversy. The most important of these erupted in 1971, when a memo written by Sture Eskilsson leaked to Swedish media. In the memo, Eskilsson laid out plans for a new propaganda strategy, which aimed to break SAF out of its stance as the representative of employer interest in tripartite negotiations and turn it into an organisation for a business interest in defence of the free market. In the memo was the idea that had guided the Fund in its original understanding of propaganda activities, that these needed to have the long term in view: groundwork needed to be done in order to establish ideas of the market economy in the hearts and minds of Swedes before any such thing as a real political market liberal alternative could be expected to emerge.[58] Some years later, Eskilsson was charged by the Fund to create a new structure of the propaganda organisation, leading in 1978 to the creation of Timbro – modelled on the American Heritage Foundation.[59] Timbro launched a set of high level editorial activities around translations of monetarist tracts and anarcho-capitalist philosophy, effectively introducing the neoliberal canon to Sweden. This was the public side of what was in fact a double edged strategy: establish, first, through the translation and diffusion of neoliberal ideas a new market ideology in Swedish society, and introduce, second, ideas of profit, ownership and competition in a widening network of stakeholders in Swedish society. This became the role of *Ekonomifakta*, which in the coming years produced alternative language and facts with a view to constituting a new idea of market interest. As such, the repertoire of neoliberal ideas from above was coupled with the engineering of a kind of property rights revolution from below. Central in this strategy was the 'ownership campaign' (*ägandekampanjen*), planned and launched from 1981 on.

The chronology of these events is critical, because it offers an important correction to the idea that Swedish business mobilised in *response* to the so-called Meidner plan, the original wage earner funds proposal from 1975. By 1975, the propaganda strategy was already set out, and by the time some 75,000 employers marched on Stockholm in protest of wage earner funds in 1983, several large campaigns, including also the campaign on nuclear energy, had already been prepared and launched by Timbro and Kreab. The wage earner funds protests were patterned on these earlier campaigns, and it was not, I argue, a popular mobilisation from below but, rather, a carefully constructed PR event, which was also not simply aimed at preventing the funds but at promoting the new ideological repertoire around property rights.[60] This critical chronology reactivates the question of why Swedish business mobilised in ways that were modelled on the campaigning activities of American or British industrialists. Westerberg proposes that the turn to more aggressive campaigning from the 1970s on should be seen in response to declining membership in the Fund during the 1960s.[61] From my examination, what happens in the Fund is rather a growing divide between an increased concentration on direct contributions from companies in the Wallenberg sphere and a perceived need to balance this influence of a small number of heavyweight companies, in the process of quick internationalisation, in a wider community of oftentimes domestically oriented and smaller companies which had a strong inscription in the welfare state. This is similar to the emphasis offered by Phillips Fein for the United States, who shows that a turn to aggressive campaigning was a result of a showdown between

[58] Eskilsson, *Ett högerspöke*, 377; Westerberg, *Socialists at the Gate*, 196–7. 'Informationsfrågans behandling', SAF F14:NA.
[59] Protocol, 29 Sept. 1976; SE 21 Sept. 1976 'Näringslivet och den politiska opinionsbildningen', NF A2:7.
[60] Compare Westerberg, 'Swedish Business as Social Movement'.
[61] Westerberg, *Socialists at the Gate*, 203.

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domestic manufacturing interests and a financialised globalised turn in American capitalism.[62] In Sweden, the decades from the 1960s on saw exactly this growing collision between the domestic 'people's home capitalist' model and an increasing global inscription of leading industrial companies. In 1979, Marc Wallenberg, whose public presence in Sweden had since the interwar period been that of the benign and pragmatic capitalist, wrote a little noted but vitriolic tract in which he singled out consistent social democrat mistrust of business.[63] It was more than a sign of the times, it was a declaration of war.

The creation of a new propaganda structure in SAF through the Fund should be seen in response to the perceived need to reformulate an idea of the business interest and meet not only social democrat radicalisation but also a division within. In this context, the wage earner funds issue provided an unprecedented window of opportunity, because it allowed the introduction of the idea of an unfettered and free market economy in juxtaposition to 'fund socialism'.

It is clear that the initial Meidner plan was discussed within SAF as a formidable propaganda opportunity from 1971 onward. Notes from 1974 show that Eskilsson was aware of the coming proposal for wage earner funds from the trade union federation. He immediately set out the response: 'Wage earners do not decide over companies, consumers do. The classical liberal model allows the invisible hand to ensure that profits by capitalists lead to consumer satisfaction'.[64] One of thinktank Timbro's first actions was to solicit a pamphlet by American economist Gordon Tullock. The title was *Fondsocialism eller marknadsekonomi* (fund socialism or market economy), and it was presented as an 'international economist's critique' of the wage earner funds idea.[65] The title was a PR product of Kreab and became the leading slogan during the following years.[66] It did not leave space for compromise – the choice was one of an economic system in an all-or-nothing strategy. This message remained in place even as the terms of the wage earner funds debate shifted significantly in 1978 and 1979 from the radical Meidner plan toward hopes for a parliamentary compromise around an individualised – not trade union controlled – savings scheme, favourably viewed by Swedish banks.[67] It also clashed with the public position taken in a report written jointly by SAF and SIF in 1976.[68] The report was cautiously optimistic that funds could be turned into a form of profit sharing.[69] A 1978 meeting with the main business organisations (the Merchants Club, the Bankers Association, the insurance companies, and SIF) showed that business was genuinely split. The insurance companies could not be mobilised because in their midst was *Folksam*, the cooperatively owned insurance company. SIF was optimistic about a social democrat-liberal compromise. The Bankers Association was also positive about a modified wage earner funds proposal – the major bank *Handelsbanken* had already developed its own system of profit sharing. The hardliners within *Ekonomifakta* thought that these were problematic positions. Meeting notes said that business had to be educated about the dangers in the proposal, and also led to understand that the fund issue contained a major strategic potential: it could split the social democrats and the trade union federation, and push – finally – the Liberal party to embrace market liberalism.[70] This led to the conclusion that reluctant businesses could be

[62] Phillips Fein, *Invisible Hands*; Alex Carey, *Taking the Risk Out of Democracy: Corporate Propaganda versus Freedom and Liberty* (Champaign: University of Illinois Press, 2009).

[63] Marcus Wallenberg, 'Reflektioner kring efterkrigstidens ekonomiska politik', *Skandinaviska Enskilda Bankens kvartalskrift*, vol. 13, 1979. Ulf Olsson, *Furthering a Fortune: Marcus Wallenberg* (Stockholm: Ekerlid, 2001).

[64] 'Löntagarfonder och företagsdemokrati', 7 Aug. 1974, SAF F11 O:1.

[65] Olof Ljunggren (OL) to Gordon Tullock, 20 Apr. 1978, SAF F11 O:1; Gordon Tullock, *Svenskarna och deras fonder* (Stockholm: Timbro, 1978).

[66] Danne Nordling, *Fondsocialism eller marknadsekonomi* (Stockholm: Timbro, 1978).

[67] Orsi Husz, David Heidenbladh and Elin Åström Rudberg, 'All Men Funds', forthcoming in Jenny Andersson and Chris Howell, eds., *Nordic Neoliberalisms* (London: Routledge, 2025).

[68] 'SAFs strategi mot löntagarfonderna', 28 Nov. 1977, SAF F11 O1.

[69] Erland Waldenström et al. *Företagsvinster, kapitalförsörjning, löntagarfonder. Rapport från en arbetsgrupp inom näringslivet* (Stockholm: SAF och Industriförbundet, 1976).

[70] 'Överläggningar i löntagarfondsfrågan', 13 Oct. 1978; 'Förtroligt – en översikt över löntagarfondsdebatten 1977–78', 21 Sept. 1978, SAF F 11: O1.

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won for fund resistance if it was coupled with a positive vision of private ownership.[71] Fund resistance was in other words understood not primarily as a struggle against the de facto amenable proposal, but as a pedagogical issue that held strategic interest in terms of unifying the business voice. In this process, a new idea of property rights was key.

Westerberg situates the theme of ownership in the aftermath of the 1983 march, but it had already been planned. The theme of ownership – *ägande* – developed in *Ekonomifakta* in the last years of the 1970s. It replaced a previous campaign called 'Business Words' (*Näringslivets ord*), which aimed to change the language around profit.[72] Polls suggested that the Swedish public thought company profits exceeded the wage share. It made them view wage earner funds ina positive light.[73]. Business words aimed to shift the public narrative by introducing words such as 'profit', 'wage drift' and 'marginal tax', and reframe the causalities of the 1970s crisis by emphasising the relation between wage drift, imbalance of payments and eroding business profitability.[74] It was a sign of economic immaturity, it was said, that Swedes supported ideas such as 'capital should stay in Sweden and be used for pension and retirement'.[75] A result from the Business Words campaign was that the group of stakeholders identifying with the business interest could potentially be enlarged through the projection of a new and optimistic message of what the market economy could offer. Social democracy's messages of crisis alienated groups such as public sector workers, teachers, doctors. These could be called upon for a market liberal message.[76] Women and young people were singled out as campaign targets.[77] Business Words produced posters and billboards with messages such as: 'Young people need future optimism, not wage earner funds'. When the Stockholm local traffic company forbad ads involved in the Funds campaign, poster boards were created that did not include the word wage earner funds but rather messages like 'Girl! You decide Sweden's future. Find the facts!'[78] *Ekonomifakta* launched media campaigns and special efforts at journalists, sometimes under fake sender names such as the Institute for Consumer Research (*Stiftelsen konsumentforskning*).[79]

Business Words was a first effort at aggressive campaigning and, importantly, it produced adverse reactions that raised concern within SAF. Members objected that political campaigning broke with SAF's historic role as the representative of a pluralistic employer interest. Such criticism led to intensified efforts, and in 1981 Business Words was supplemented by the Ownership Campaign. Produced by the PR agency Burson and Marsteller, it targeted a long list of potential stakeholders who were people who owned things: small holder farmers, small scale entrepreneurs and shop owners, people who owned shares or government bonds, people with small boats, people with summer houses or residential bungalows, dentists, hair dressers, taxi drivers, gas station keepers, driving instructors, salesmen, consultants.[80] These were held together, it was argued, by an experience of private property that made them a targeted group for a new business message. The Ownership Campaign was instrumental to the development in the 4 October Committee as it moved from organising the 4 October demonstration in protest of the wage earner funds in Stockholm in 1983 toward a broader mobilisation for the market economy in 1984–5 under headings such as 'you shall own', 'leave half' and 'market economy, not planned economy'.[81]

The violent stance against the funds created confusion both inside and outside of SAF. Social democrat representatives were frustrated that SAF did not respect its usual corporate role and refused

[71] 'Överläggningar i löntagarfondsfrågan'.
[72] 'Ekonomifaktas fortsatta verksamhet', 14 Sept. 1981, SAF F21 EC:1.
[73] SIFO opinionsundersökning – 'Näringslivets ord', SAF F21 EC:1.
[74] *Ekonomifakta*, 1, 1982, SAF F21 EC:2.
[75] 'Lägesrapport', 13 Apr. 1981, 24 Nov. 1981, SAF F21 EC:1.
[76] Memo, 14 Sept. 1981, SAF F21 EC:1.
[77] 'Påtryckningar på journalister', SAF F21 EC:1.
[78] 'Till tals', SAF F21 EC:2; Elin Åström Rudberg, 'Doing Business in the Schools of the Welfare State: Competing "Entrepreneurial Selves" and the Roots of Entrepreneurship Education in 1980s Sweden', *Enterprise & Society* 24, no. 4 (2022): 1066–92.
[79] 'Lägesrapport', 4 Aug. 1980, SAF F 21 EC:1.
[80] 2 Feb. 1981, SAF F21 EC:2.
[81] 'Programmet fritt näringsliv 1985', SAF F14 NA:5.

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to enter into discussions about a modified system.[82] Internally, there were continued protests that SAF had overstated the Funds issue, and engaged in political campaigning against the corporatist model. A critical evaluation of *Ekonomifakta* by member companies maintained that members viewed it as an aggressive lobby instrument that clashed with SAF's employer responsibility. In response, Eskilsson wrote: 'It is very serious if we are not seen as a socially progressive organisation. But I have to say that it's very difficult when business is actively being eradicated.'[83] A discussion on SAF's future role also displayed discord. The anti-wage earner funds campaign caused members to threaten to leave SAF – these included the public companies of Swedish radio, LKAB and SSAB. To Eskilsson and Westholm, the departure of publicly owned companies meant that SAF could now act in an open political role as the spokesman for the free market economy. Encouraged, they wrote a memo clearly stating that SAF's main role should be a systematic defence of the market economy: 'Our social work is about defending the market economy'.[84] This role was larger than what had ever been set out in a strategy document before: to defend the market economy meant changing a cultural climate, breaking the wage bargaining structure of the corporatist model and developing a political voice.[85] Employer interest, the report said, should be positioned above internal competition and understood as the political obligation to represent the market economy.[86]

These internal debates were ongoing in 1981–3 and they underscore the strategic importance in representing wage earner resistance as the expression of a unified and clear business voice, even though this was not the case. The creation of the so-called 4 October Committee in 1983 illustrates this point.[87] While it included local protesters and manufacturers who had protested the wage earner funds to social democrat party leader Olof Palme in Jönköping in the spring of 1983, the committee was created in *Ekonomifakta*'s offices with Timbro staff.[88] Campaign plans were drawn up by Håkan Gergils, director of the Shareholder Association (*Aktiespararna*), an association created in 1960 with campaigning methods taken from the United States.[89] In the 4 October Committee were representatives of the multinational companies, and alongside this, local committees were organised through the chambers of commerce.[90] The PR plan for the 4 October manifestations was written by Kreab, and Kreab had actively worked on mobilising a local business network since 1980.[91] Reports that came back from local committees were not clear in their conclusions: local business leaders were hesitant to be associated with the 'directors' in SAF, and locally, businesses feared conflict with the unions. This led Eskilsson in 1981 to impress the importance of mobilising small businesses alongside the multinationals in the 4 October Committee.[92] Importantly, two notable players in the business community refused to participate: Pehr G. Gyllenhammar, director of Volvo, and Tore Browaldh, chair of *Handelsbanken* (and director of SNS).[93]

[82] Sten Andersson to OL and SE, SAF F11 O:1.
[83] 'Informationsfrågans behandling i SAFs styrelse 1968–1981', SAF F9G:1.
[84] 'Vad ska SAF syssla med'. LEG8001 1981, SAF F9A:2.
[85] Ibid.
[86] 'Fritt näringsliv', 1980; 'Offentlig, enskild, och hemlig sektor', 12 Sept. 1982, F9G:5; CJW, 13 Dec. 1982, SAF F9A1.
[87] Westerberg, *Socialists at the Gate*, 273. Westerberg, 'Swedish Business as Social Movement'.
[88] See Gunnar Randholm to Olof Palme, 25 Mar. 1983, SAF F11 K:2. GR to OL, 26 Apr. 1983, SAF F11 K:2.
[89] Svenska *Dagbladet*, 3 May 1983, SAF F11 K:2; Håkan Gergils, 'Handlingsplan i löntagarfondsfrågan', 15 Oct. 1981, SAF F11O:10.
[90] 'Manifestation mot löntagarfonder 4 oktober 1983', 9 Aug. 1983. The 4 Oct. Committee consisted of representatives of the eight large business organisations (SAF, SIF, the Merchants Club, the Bank Association, the Taxpayers Association, *Verkstadsföreningen*, and the Shareholders Association). The chairmen of the last two, Björn Tarras Wahlberg and Håkan Gergils, were anti-fund megaphones whose organisations had grown steadily in the 1970s and '80s. They were aided in the committee by Antonia Ax:on Johnson and Margareta Wallenberg Grundström, two of Sweden's wealthiest women.
[91] Kreab, 'Funktionärskonferenser om löntagarfonder', 28 Nov. 1981, SAF F11 O:1.
[92] SE 'Strategier i löntagarfondsfrågan', 13 Oct. 1981; Curt Nicolin letter 'Broder! Mobilisera mot löntagarfonderna', SAF F 11 O:10.
[93] Statutes, 4 oktober kommittén, 9 Aug. 1983, SAF F11K:1.

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The wage earner fund bill that was voted through parliament in 1983 intended funds to go into collective pension funds under democratic control. Collective ownership of multinational companies was off the table (much to social democracy's relief). In the early 1990s the funds were dismantled and transformed into venture capital funds for Swedish business by the then Bildt government.[94] As the funds scare dropped in importance, the 4 October Committee broadened its purview. Documents show that in 1984 and 1985 there were feelings inside SAF that wage earner resistance was losing steam, and there were also increasing signs of business disaffection.[95] This led to discussions inside *Ekonomifakta* about how to use the wage earner funds issue for permanent mobilisation, epitomised in 1985 in the proposal for a new propaganda program 'Free Enterprise'. The 'Free Enterprise' campaign brought together the themes of ownership, continued wage earner funds resistance, and a tax revolt called the 'scarlet pimpernel' (*röda nejlikan*).[96] A strategy document suggested that *Ekonomifakta*'s future role was to be the 'sender' that activated a large network of stakeholders in Swedish society: tax payers, real estate owners and house owners, motorists, doctors, dentists, farmers and shareholders. These diverse groups were addressed in the document as the 'recipients' of a new market ideology.[97] The recipients could be used in turn as parts of a formidable propaganda network – many of these organisations had membership magazines and newsletters that could also become 'senders' of the market message.[98] The next big project was tax. 'The scarlet pimpernel is a gathering symbol for the people's constructive revolt against an outdated tax system'.[99] In 1987, a secret memo with the title 'You shall own' linked ownership to political representation and compared property rights to the right to vote.[100] 'You shall own' became the new slogan of the 4 October Committee in 1987 and was intended as a major celebration of ownership, with parades through Stockholm royal park Kungsträdgården. Names for the 4 October were debated – a you-day, the day of yours, proud ownership day, ownership for big and small, or business citizenship day.[101] In 1989 and 1990, the 4 October Committee held mass meetings in Stockholm's Globe Arena where it was argued that the response against the 'collectivisation' of the wage earner funds was 'democratisation' of ownership through a decentralised capital system and public sector privatisation.[102] In the same year, SAF founded a new association called *Ägarfrämjandet* – the Ownership Association.[103] It consisted of several existing organisations, including the association of small entrepreneurs and the shareholding association. In the coming years, *Ägarfrämjandet* ran a national campaign in which a key objective was to create ideas of mutual interest among a great plurality of owners in Swedish society under the guise of a new popular movement, 'The people's movement for personal ownership'. It was a front for a radical market ideological message – among its papers are documents that suggest the slogan 'Free contracts against majority rule'.[104]

Privatisation as Common Interest

By the mid-1980s, 'ownership' was ideological code for privatisation. The central outcome of the 4 October Committee was not, I propose, so much the successful mobilisation against the Funds – after all, this battle was won. It was rather the construction of a business network that could in the

[94] Rikard Westerberg, 'From Marxist Venture to Venture Capitalists: The Swedish Wage-Earner Funds and the Market Turn, 1983–1994', *Enterprise & Society* (2022): 1–24.
[95] CJW 'Näringslivets opinionsbildning i löntagarfondsfrågan 1984–85'; SE 'Strategiska synpunkter', 31 Nov. 1983, SAF F11 E:5; Ekonomifakta, 13 Oct. 1983, SAF F21 EC:1.
[96] 'Näringslivets fortsatta informationsarbete i fondfrågan', 13 Oct. 1983; SAF F21 EC:1.
[97] CJW 'Avsändare, mottagare, förmedlare, verkställare. Marknadsekonomins försvar, en lägesbeskrivning', SAF F21 EC: 3.
[98] 'Skattebetalarna konfidentiellt', SAF F21K:3; SE, 26 Mar. 1986, SAF F21 K:4.
[99] 'Röda nejlikan', SAF F21 EC:3.
[100] SE, CJW, 'Du skall äga', 31 Mar. 1987, SAF F21 EC:4.
[101] 4 oktoberkommittén 'Du ska äga', 19 Feb. 1987, SAF F21 EC:4.
[102] Protocol, 4 oktober-rörelsen, 16 Aug. 1989, SAF F 21 EC:1
[103] Protocol, 1989:3 and 1988:6, SAF F21 EC:1.
[104] *Ägarfrämjandet*, 1991, 'AP-fonderna, det personliga ägandet, och tillväxten!'.

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1980s be used for preparing large scale privatisation. As we have seen, the Ownership Campaign's first goal was the creation of a network of stakeholders in a large tent of groups that identified with ideas of popular property owning. At the same time, plans for large scale privatisation were in fact being drawn up in parallel, by the same group of actors in *Ekonomifakta* and Timbro, backed with the economic capital resources of the Fund. *Ekonomifakta* thought that groundwork for privatisation had to be done through local business networks. The 4 October Committee had created more than 200 local business committees in the preparation for the 1983 march on Stockholm. These committees were now renamed 'PUFF' groups – groups with which to push local entrepreneurship to challenge public sector monopolies in their towns. The PUFF groups were also instructed to specifically address welfare state professionals such as social workers, municipal planners, hospital workers, teachers, parents, but also the staff at employment offices and social insurance offices.[105] Activities such as washing, piping, a voucher system for lunch boxes, taxi transport, convalescence care, paper recycling, car inspections and computer services were identified as suitable for privatisation.[106]

Privatisation was, however, a thorny issue, which further split a business community that was fractured by the wage earner funds debate and in which not everyone appreciated the message of a new competitive and internationalised market economy. In the early to mid-1980s, views on privatisation diverged. On one side, there were grievances in the business community, not least from small companies, that they were held outside of public sector tendering and could not compete with public providers. Against this stood ideologically motivated ideas of privatisation as a radical break with the welfare state model. and the introduction of a new 'market economy'. These grievances fed into business reactions that rejected the idea of the market economy as foreign and American, and that accused anti-wage earner funds of campaigning to bring in an aggressive market liberal language that broke with historical notions of employer and industry responsibility, fuelled by 'new liberal ideas'. In 1984, three key organisations (including the Merchant Club, *Verkstadsföreningen*) objected that SAF's politicised campaigning had destroyed its old role as the negotiating part for employer interest, and rejected 'ideas such as the market economy' constituting a *raison d'etre* for an employer organisation.[107] In response, *Ekonomifakta* argued internally that members needed to be reminded of the 'constant threat of fund socialism' and the need to uphold a 'systemic defence' for free enterprise.[108] It decided to push harder on positive notions of property, including public sector privatisation.[109] At the same time, documents emphasised the need to introduce the privatisation theme at some distance from the campaigning methods of the 4 October Committee.[110] The outcome of this dispute was a framing of privatisation as a matter of common concern for the whole of Swedish business – not least for small local providers. In 1981, Eskilsson wrote to all local SAF directors that privatisation need not be interpreted as a radical shift to a market economy but could be thought of as subcontracting from the public sector to local entrepreneurs and reiterating a sense of social utility in business.[111] From 1981 on new study entities were also created within SAF that examined privatisation as a new social function for business, a 'social rationalisation from below'. It was important, said Eskilsson in his private notes, that privatisation appeared as a 'non-campaign', separate from SAF, the Fund and the 4th of October Committee.[112] 'We do not need a campaign but simply to activate our members.'[113] Local models of privatisation were encouraged through documents prepared

[105] 'Positiv utveckling för företagen', 7 Dec. 1982, SAF F9NG:1; 'Entreprenadföretagen i samhällets tjänst', SAF F9G:2.

[106] M-gruppen, 'Djupprojektet', SAF F9H:2; 'Förbättrad samhällsservice genom SAFs ägare'; 'Nyföretagande inom tjänstesektorn', SAF F9H:3M.

[107] 'Remissvar', 17 May 1984, SAF F9A:2.

[108] 'Förslag till verksamhetsplan', 9 Dec. 1986; Memo, 12 Oct. 1987, SAF F21 EC:4.

[109] 'Förslag till opinionsbildning 1987; Personligt ägande – bättre än löntagarfonder', F21 EC:4; Charlie Brantingson, 16 Feb. 1987, 'Du ska äga, inte löntagarfonderna. Förslag till opinionsbildning 1987–88', SAF F11 L:5.

[110] 'Diskussionsunderlag Samverkan för Sverige', 25 Aug. 1981, SAF F9G:1.

[111] SE, 10 Sept. 1981, SAF F9G:1.

[112] Ibid.

[113] 26 Aug. 1981, SAF F9G:1. Also, SE to Georg Uggelberg (GU), 3 Mar. 1983, SAF F9G:1.

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centrally in SAF, including plans for a new individualised wage model and a pricing model for subcontracted services that would allow private actors to challenge public services.[114]

1985 was a crucial election year. The Conservative party moved to an openly neoliberal stance and, in the wake of the wage earner funds debate, the Liberal party also shifted its position from social liberalism to a new market liberalism. By this time, the linked up themes of ownership, anti-tax, and free enterprise became the basis of a programme in SAF that explicitly targeted privatisation. Within the Fund, as demonstrated in Eskilsson's private notes, it was now felt that the time had come for a more proximate relationship to the liberal conservative parties, as these now seemed prepared to defend the market economy.[115] But as the liberal conservative coalition lost the 1985 election, fears were raised that Sweden would miss out on the liberalisation wave that passed through other Western economies.[116] It was this fear that shifted positions in the privatisation debate, from an approach careful of small and medium sized companies, including family businesses dependent on public sector contracting, to one in which privatisation was seen as the pivot for a shift from the corporatist model to a modern market economy in which the representative function of business was not to negotiate with trade unions but to defend the free market. The idea of the business interest as the key agent in driving a new, internationalised competitive service economy was a central part in the slogan 'free enterprise' from the mid-1980s on. Timbro and Eskilsson now became a direct liaison between the Fund and advisers of Margaret Thatcher in the Adam Smith Institute. SAF leadership openly pushed for a business agenda around the market economy.[117] A note from Eskilsson said that changing the view on the public sector was crucial for ensuring future unity. 'We still have far too much insouciance and insecurity among our own.'[118] Business leaders, another document said, now had to be actively enlisted to speak for the market economy.[119] In 1986 and 1987, *Ekonomifakta* made study trips to the United States, visiting the Heritage Foundation, George Mason University and the libertarian Institute for Humane Studies.[120] The aim of these transnational contacts was to push for privatisation at home, in arguments that often likened the Swedish welfare state to a socialist planned economy. Eskilsson and Carl Johan Westholm also launched the Western Europe project, aimed to push Sweden toward European integration, and in 1986 they created a new journal, *Marknadsekonomisk tidskrift*, which covered privatisation processes in the United Kingdom, the United States and Eastern Europe.

In 1991, the Conservative party campaigned on the theme of the market economy with a programme that had to a large extent been written by the new leader of the conservatives, libertarian, Fund and Timbro associate Carl Bildt, and Bengt Westerberg, chair of the Liberal party. In the years before, the Fund had hired Westerberg to act as the director of the Market Economic Alternative for Sweden (*Marknadsekonomiskt alternativ för Sverige*; MAS) – an apparently independent research foundation.[121] The purpose of MAS was to demonstrate to member companies, politicians and the Swedish public that the market was the normal way of doing things, the welfare state the anomaly. 'The market is the normal case. Anyone who wants to do anything publicly shall need to argue for it.'[122] The final MAS report drew up the blueprint for the privatisation wave after 1991.[123]

[114] GU to SE, 3 Mar. 1983, SAF F9G:1.

[115] 'Efter valet 1985', SAF F21 EC:4.

[116] 'Tankar om en borgerlig valseger 1985', SAF F21K:3; SE, 11 Jan. 1985; 'Decentraliseringsvågen – Västeuropa i förändring', SAF 14NA:5.

[117] 'Vad ska SAF syssla med?', 1985, SAF F9G:1; 'Programbeskrivning. Fritt näringsliv', 22 Jan. 1986, SAF F9G:1.

[118] SE 'Föredragningspromemoria om opinionsbildning', 10 Oct. 1986, SAF FNG:3.

[119] Curt Nicolin, 'Näringslivet och samhällsutvecklingen', SAF F9G:3.

[120] 'Executive Committee of the Free Enterprise Program, notes from trip to the US', 20–27 Sept. 1986, SAF F9G:5.

[121] Kreab, 'Opinionsläget inför 1987'; 'Människans möjligheter'; 'Plan för försäljning av statliga tillgångar', 1986, SE papers F7:4.

[122] SE 'Förtroligt. SAFs opinionsbildning fram till sekelskiftet', 20 Sept. 1988; SE 'Konfidentiellt. Den nya välfärden. Skatt och välfärd i framtidens Sverige', 10 Nov. 1986, SAF F9G:3. SE, 'Stiftelsen Marknadsekonomiskt alternativ för Sverige', SAF F45:270.

[123] MAS, 'Marknadsekonomin, dess förutsättningar och möjligheter', 26 Apr. 1984, SAF F45:270.

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Conclusion: Constituting the Business Interest: Neoliberalism as Ideology Work

The Fund story of breaking free of the moral boundaries of corporatism and social liberalism appears highly specific to Sweden. The capital resources of the Fund became of extraordinary significance over time, and through them, neoliberal ideas were used with the clear purpose of fighting social liberalism and building market ideology. In 2001, SAF and SIF merged into one organisation, *Svenskt näringsliv* ('Swedish business') after fifteen years of controversy around the corporatist vs. political role of business, and the pre-eminence of catering to a globalised or domestic market. A future story tells how privatisation in the late 1990s and 2000s became a common purpose for small and big companies as welfare services became export commodities for a new and highly competitive branch of Swedish capitalism in an unprecedented market experiment.[124] For my purpose here, suffice it to say that in discussions over the new organisation, SAF strategists argued that a new organisation should be oriented at the 'dismantling of the cartels' (trade unions), while manufacturers and small entrepreneurs questioned the legitimacy of a political business organisation, and criticised SAF for catering to the interests of the multinationals and not to 'cleaning ladies in Vetlanda'.[125] In 1991, the conservative–liberal electoral victory led to employers leaving the corporatist model, which was subsequently largely proclaimed dead. The new organisation embodied the ideal of the 1940s Fund – the business interest was freed from the frame of the corporatist model, and business was said to legitimately act politically in the name of the free market.

This essay has demonstrated that the Business Fund played a partly hidden but highly important role in Swedish political history by systematically advocating an idea of the free market. The Fund was created with the ambition of constructing a new business identity around the idea of the free market and developing what was time and again defined as a new political role in the defence of market ideology. For a long time, it struggled to find support for this view, leading it to define the business interest as a natural opposition. This oppositional stance did not begin with the radicalisation of trade unionism and social democracy in the late 1970s. From its creation in 1940, the Fund had its eye toward the long view, consisting of two objectives: unite the business interest around the idea of the market economy, and push the liberal conservative parties out of the corporatist frame.

The Fund was a central agent in bringing the ideas of transnational neoliberalism to Sweden. It did so as part of a strategic attempt at shifting the domestic position of liberalism and reframing business from a neutral part in the corporatist model to an active political interest. Creating 'market ideology' came with a property rights revolution that focused, in the aftermath of the wage earner funds, on privatisation. I have shown that the purpose of the 4 October Committee was to build a local network of business that could serve the purpose of initiating a property rights revolution from below. Creating support for the market economy required significant resources and ideology work. In contrast to previous research, I have argued that this must be seen as a radical attempt to explode the boundaries of welfare capitalism by a tightly knit business elite, which seems to hold more or less continuous views across the twentieth century. This story does not play out the same way in the other Nordic countries; in fact, continuity in an anti-welfare state stance appears a distinguishing marker of Swedish twentieth-century political history. The early construction of the Fund in 1940 also makes it internationally unique.

[124] Jenny Andersson, 'Capital Interest: Privatisation as Ideological Struggle', in Andersson and Howell, eds., *Nordic Neoliberalisms*.

[125] 'Den nya organisationen', 4 Aug. 1995; 'Arbetsgivarrollen i framtiden', 25 Sept. 1995, SAF F12CB:5. 'Förslag till bildande av Svenskt näringsliv', 1995, SAF F12 CB:4.

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