

Strengthening Local Responsibility: Reforming the Swedish Employment-related Social Security System

The Swedish system of social security has often been regarded as a model of comprehensive coverage and inclusiveness. Despite facing repeated financial challenges through the 1990s and 2000s, it has maintained its essential character as a popular and well-endowed provider of social stability for both the individual and the state itself. Employment-related benefits are generous in financial terms, but come with the need for recipients to remain actively engaged in the economic or educational field. However, Sweden's huge geographical and demographic diversity made it increasingly necessary to increase the role of local authorities in implementing active labour market policies. This article tracks these developments since the mid-1990s, both with regard to changing the benefits system and with regard to changing local government involvement. It argues that backed by broad political support from economic actors, political parties and large sections of the population, the Swedish system has achieved the necessary modernisation and adaptation to remain a viable alternative to more neo-liberal welfare retrenchment projects conducted in other European countries.

Dr Jörg Mathias
School of Languages and European Studies
Aston University
Aston Triangle
Birmingham B4 7ET
Tel.: 0121 – 359 3611 Ext. 4217
Fax: 0121 – 359 6153
E-mail: J.Mathias@aston.ac.uk

A POLITICAL COMMITMENT

Sweden with its strong traditions reaching back to the 1930s is often regarded the archetypal social-democratic welfare state in terms of Göran Esping-Andersen's classic typology of welfare regimes, distinguishing conservative, liberal and social-democratic approaches (Esping-Anderson, 1990). This reputation has been earned over decades of sustained commitment by Swedish governments, regardless of their party-political composition. A universality of welfare state coverage, where "social programmes...are not targeted to 'the poor' but instead cover the entire population without consideration of their ability to pay" (Rothstein, 2002:209-10) does, however, depend on a sufficient national consensus to maintain the high-tax environment necessary to generate sufficient funds to pay for the promised provisions. Whether such a consensus can be maintained has been the subject of recent debates in the literature. Proponents of the 'compensation hypothesis' (e.g., Meinhard and Potrafke, 2012) argue that especially in times of economic downturn and increased competition there is a need and a desire to ensure social protection at the price of higher taxes. By contrast, proponents of the 'efficiency hypothesis' argue that high tax levels are likely to induce capital flight to more liberal regimes which offer lower tax rates at the price of less individual protection (e.g., Rothstein and Steinmo, 2002; Deveraux *et al.*, 2008). The similarities of experience in economic conditions have led to similar welfare state reforms and led to some observable convergence trends between the welfare systems in Europe, as shown for instance in a recent study by Wolfgang Schroeder and colleagues (Schroeder *et al.*, 2015). This is not to say, however that specific national approaches to welfare state development are no longer possible or sustainable. Indeed as Steinmo also showed as early as 2003 (Steinmo, 2003), before the recent period Conservative-led governments (2006-2014) of Sweden would be a likely candidate for maintaining a strong welfare state commitment rather than being roped easily into a European trend of welfare state retrenchment.

Having said that, It must also be noted that the most advanced notions of a universal welfare state discussed in the late 1980s and early 1990s have been found unsustainable, in particular the concept of decommodifying labour – effectively ending the classic liberal scenario which puts "people's rights to survive outside the market at stake (Esping-Andersen, 1990:35) and replacing it with a social model in which "individuals, or families, can uphold a socially acceptable standard of living independently of market participation [... and] work approaches fee choice rather than necessity" (Esping-Andersen, 1990:37). Going beyond mere poverty prevention, such a welfare regime would not only remove significant social differences between those in and out of work, but would also regard prolonged periods of non-participation in the labour market as socially acceptable. Esping-Andersen's concepts were of course not designed as a social utopia, and a real decommodification of labour was never really achieved or even attempted in Sweden or any other Scandinavian over West European society – the essential character of a market economy was clearly maintained, both before and even more so after the commencement of membership in the European Union.

However, the present Swedish welfare system features three key elements which taken together do come close to the concept of universal coverage: (i) a comprehensive system of social services, (ii) various cash benefits not related to employment, and (iii) a separate system of employment-related cash benefits and opportunities for active participation in the economic life of the society. The first of these elements, social services, includes healthcare, childcare, education and various recreational services, and is paid for

through a mixture of central and local taxation. Here, the central government focuses on regulation and setting standards (see Social Services Act, 2001), while it is one of the core functions of local authorities to develop locally appropriate solutions for the actual provision to the local population, who in turn fund the bulk of the associated expenses through local taxation, notably local income tax which is the main form of income tax in Sweden. In this area, local authorities enjoy a significant degree of autonomy, and local taxpayers therefore can usually literally see directly how their taxes were utilised. By contrast, the system of cash benefits not related to employment is highly centralised, with limited local authority involvement. The regulations are set out in the Social Insurance Code 2010 and administered by the Social Insurance Fund (*Försäkringskassa*). While health insurance pay-outs and pensions are the largest elements of the Fund's expenses, Chapter 9 of the Social Insurance Code 2010 lists no less than 19 other individual types of benefits a Swedish citizen may apply if he or she meets the relevant conditions. While some of the benefits are means tested, e.g. housing benefit, the most important benefits such as child-related benefits and health-related benefits constitute absolute entitlements regardless of the applicant's means. The funding comes from a mixture of compulsory insurance contributions by both employers and employees, topped up as necessary out of general taxation. Where appropriate, the Social Insurance Fund works in co-operation with local social service authorities (*socialnämnd*) and public as well as private local social service providers. Financial responsibilities, case co-ordination and data exchange between the different institutions and services posed a constant challenge (Palme, 2001:11), which was a key motivation for the introduction of the Social Services Act 2001. The act fixed the individual administrative and financial responsibilities for various types of service which may have a bearing on a person's employability, e.g. medical rehabilitation. The administrative structures were thus in place to manage the extensive social security system.

The main part of this study investigates the third element of the Swedish welfare system, i.e. the development of the system of employment-related benefits and its increasingly close link to innovative ways and means of implementing labour market policies since the start of the gradual reform process in the second half of the 1990s. The next chapter discusses the Swedish policy of activation for all recipients of employment-related social security benefits, creating a challenge for local authorities at the communal level – in particular in urban areas with high concentrations of benefit recipients. The final part of the investigation discusses the parallel adjustment of local government functions and communal funding arrangements which led to increased decentralisation of labour market policy implementation and allowed local authorities to develop into significant actors in shaping local labour markets.

ACTIVATION: A SOLUTION FOR EVERYONE?

The Swedish social security system which emerged from the various reforms since the mid-1990s can still be characterised as extensive and complex. It has by and large retained its general separation between employment-related support entitlements and entitlements based on personal and family circumstances. Contrary to common practice in other EU countries such as Germany and the UK, there is a less intensive cross-testing of a recipient's means between the different types of benefit, although basic safeguards to prevent abuse, such as a comprehensive data exchange between institutions, have been strengthened since the early 2000s.

Since its introduction 1997, a key feature of the Swedish unemployment legislation has been to provide a level of social security for unemployed persons which avoids immediate financial difficulties and enables the jobseeker to maintain a significant degree of economic autonomy and stability. This is not to say that the aim of the legislation would be to promote the decommodification of labour idea. As we will see, quite the opposite is the case. The dual aim of the legislation is to ensure actual social security, if necessary over very prolonged periods of time, but at the same time to provide a large variety of ways and means which enables the jobseeker to utilise his or her ability, limited as it may be, to contribute to the economic life of the society – either in the regular labour market, or in alternative forms of activity which are regarded as equally socially acceptable and are appropriate to the individuals abilities, age and qualifications. This broad-ranging concept of activation, which attempts to find an appropriate work, training, or personal qualification activity for literally every single jobseeker forms the very centre of integrating employment-related welfare provision and pursuing active labour market policies. The theme of universality is reiterated the state’s dual commitment of providing not only support but also opportunity for everyone who remains actively engaged with the system, and only those individuals who deliberately choose to disengage run the risk of serious social exclusion.

In terms of labour market management, the National Labour Market Administration is in charge of typical labour market management functions such as registering unemployed persons, and ensuring that jobseekers are indeed actively engaged in searching for jobs (*arbetsförmedling*), as well as maintaining a national register of vacancies and providing various employer support services – including a range of wage subsidies for certain types of employment – to help maintaining vibrant national and local labour markets. However, the administration does not handle employment-related benefits.

The Swedish primary unemployment insurance is still voluntary, and run by 28 individual sectoral insurance schemes, plus one non-sectoral scheme available to any employee. The sectoral schemes operate privately or under the auspices of trade unions, but with significant regulatory oversight and financial input by the state (*Arbetslöshetskassa*, commonly known as A-Kassa), and are often the first line of defence for ensured employees who lose their job. Members of these voluntary unemployment insurance schemes initially receive income replacement of up to 80% of their former wages for the first 100 days, dropping to 70% for the following 200-350 days, depending on personal circumstances, up to a monthly maximum allowance which in 2015 was raised to 25,025 per month (*Arbetslöshetskassa.nu*, 2015). For high income earners and members of some trade unions top-up income replacement insurance schemes are available to exceed the daily and monthly allowances. However, over the last ten years there has been a significant drop of income replacement receivers across the country (see Table 1).

Table 1 here

This drop cannot be explained by a general reduction in unemployment, as the annual average of registered jobseekers has remained relatively constant between 650,000 and 710,000 since 2004 (EUROSTAT, 2015). A partial explanation, however, can be found in a change in the financial interrelationship between the state and the insurance schemes which occurred in 2008. Until 2007 the state was covering an increasing amount of the actual insurance payments, up to 90% for some schemes, and attempted to recoup at least some of these expenses by increasing the payments which the schemes had to make to the state for every member who did not receive benefits. Instigated by the then Conservative-led coalition government headed by Prime Minister Reinfeldt, the 2008 reform turned this system upside down: now the financial handovers to the state depend on the sum of insurance payed out.

Schemes with more unemployed members are thus financially disadvantaged, thus attempting to hold the schemes – and indirectly also the trade unions which stand behind the schemes – responsible for developments in their sector’s labour market situation. For Öman (2008:21), this change “will contribute to strengthening further the driving forces for a responsible development of wages, which does not lead to unemployment and strengthens the incitement to avoid wrongly paid income replacement”. Cost saving, abuse control, and indirect pressure on wage levels can indeed be described typical ingredients of conservative, if not neo-liberal labour market policies. For critics from the Social Democrat corner (Persson *et al.*, 2010; Petterson, 2012) financial pressure put on unemployment insurance schemes was only a part of a wider campaign by the Reinfeldt government to drive down the quality of the social security system without actually changing its general operation. As Petterson (2012: 287) points out, higher membership fees for insurance schemes and those union memberships which contain an insurance element while freezing pay-outs at levels set in 2001, not only contributed to a decline in union membership but also opened the door for purely private insurance and service providers as the state became less trusted to deliver expected levels of social security and support.

However, perhaps the most interesting element of the Swedish social security system is the support scheme provided by the state for longer-term unemployed persons whose insurance period has run out, and for not previously insured jobseekers – the Activity Grant. It consists of fixed daily allowances which are not related to previous income but depend on age and qualifications. The scheme comes in two versions, the actual Activity Grant for previously insured workers and workers over the age of 25, featuring higher daily rates but counted as taxable income, and a Development Grant with much lower but tax-free daily allowance rates, for workers under 25 who were not previously insured. There is no time limit on how long a jobseeker may remain in these schemes, although the daily allowances are somewhat reduced after the first 100 days. At the time of writing (Summer 2015), the Social Insurance Fund lists approx. 144.000 jobseekers – roughly one fifth of the total number of jobseekers – as recipients of Activity Grant or Development Grants (see Table 2).

Table 2 here

This stable and in financial terms quite generous level of state support also comes with an element of compulsion – work or learn: “doing nothing is not an option” (Löfven, NYU speech 2014). This statement is to be taken literally. The basic requirement is to participate in an approved labour market policy programme on a full-time basis, attendance is registered and allowances calculated for every working day. In addition to the requirement of conducting usual searches for jobs in the regular labour market, Activity Grant recipients are usually asked to attend longer-term placements with companies or public institutions with a view to taking up a similar position in the regular labour market later on, shorter term placements for re-orientation towards an alternative career track, or participation in specific skill-enhancing training programmes to enhance personal employability. In the Development Grant scheme, the emphasis shifts strongly to participation in suitable educational measures, e.g. previously missed school qualifications, language courses if needed, or attending vocational training courses.

These requirements were introduced in 1997, the year in which the decade of high unemployment and maximum benefit pay-outs (1991-2001) reached its peak with an unemployment rate exceeding 10% and nearly 400,000 households receiving some form of benefits (Johansson, 2006:23-24). However, the then Social Democrat-led government had not only set a course for keeping a close watch on both long-term unemployed jobseekers and on the next generation of jobseekers, it had also challenged itself to provide the means for

jobseekers to follow these directions. The realisation of this challenge came soon after, and a number of short-lived employment creation programmes were introduced in 1998. A more systematic solution was embarked upon from 2001 on, with the still operational policy of an activity guarantee and a development guarantee underpinning the respective grant schemes.

The central feature of this guarantee is a personalised Jobseeker's Agreement containing an action plan which not only covers actual job seeking requirements but also the provision of a place in a job placement or training scheme and a list of qualification and personal development aims according to the individual jobseeker's needs. According to Johansson (2006:33) the government's aims of this guarantee were four-fold: (i) to provide a way for the jobseeker to stay connected to the world of work and eventually provide a route back into regular employment, (ii) to avoid a cycle of periods of active work and inactive unemployment, (iii) to ensure active job seeking even while participating in a job placement or training programme, and (iv) to ensure equal activation opportunities for disadvantaged groups of jobseekers, including jobseekers not fully fit for work or jobseekers born outside Sweden, with large concentrations of the latter living in the larger urban communities.

Indeed, as shown in Table 2 the urban problem is still in evidence as the largest concentrations of Activity Grant recipients can be found in Stockholm, Skåne (Malmö) and Västra Götland (Göteborg). The uneven distribution of Activity Grant recipients across the country therefore created a stronger challenge in the larger communities. The programme was therefore implemented unevenly in larger communities. A recent study on the Stockholm region for instance found evidence that in some city districts the activation programme was not fully rolled out until 2004, and that on some occasions the activation consisted of long hours of daily attendance at the job centre rather than participation in a job placement or training measure (Hanspers, 2013:27-28). Another, at first glance very effective way of handling large numbers of jobseekers is to place them together in special companies created for this purpose, where work, training and other support measures could be concentrated in a single location. However, an interesting case study of the state-owned manufacturing company Samhall with nearly 22,000 employees who are in need of some kind of professional or personal rehabilitation (Holmkvist, 2009:10) indicates that such large concentrations of individuals with development needs and the concentrated supply of support resources may reinforce rather than reduce dependency:

Essentially, people suffering from various 'impairments' who are recruited by Samhall learn to become disabled by participating in the work organization that adapted to the presumed needs of disabled people. Hence, occupationally disabled people are reproduced through the activation offered by Samhall. The longer they stay at Samhall the more disabled they become in a sociological sense – [...] making them all the less likely to leave Samhall. (Holmkvist, 2009:153)

This rather negative view is not generally shared by the institutions involved in implementing the activation programmes, and in particular the Social Insurance Fund has been keen to point out that during the 2000s there was evidence of successful transfers from long-term sickness insurance to activity grants and on to employment (Försäkringskassan, 2007; 2007a). Still, the years of the Reinfeldt government (2006-2014) can be characterised by a stagnation in conceptual development regarding activation measures for the individual. Policy discussions focussed by and large on the reallocation of costs and responsibilities between the state agencies and local authorities as discussed below, and on ways of increasing the role of the private sector in providing various types of social service. Since taking office in 2014, the new Löfven government has indicated a renewed state commitment to maintaining and funding an effective social security system. While the concept of activation for all will remain in place and an individual's disengagement from the system will not be financially rewarded, everyone should be able to find a suitable place in society which ensures personal

economic stability while being engaged in an a task which meets individual needs. How well this commitment can be sustained over the coming years remains to be seen.

STRENGTHENING LOCAL AUTONOMY

The principle of local authorities' primary responsibility in social matters – excluding cash benefits – is historically grown. Since the 1970s, local authorities were strongly involved in providing social services, but were acting essentially as implementation agencies for national policy decisions, and were financially compensated for this activity by receiving task-specific earmarked funds from the government. In effect, the then situation can be characterised as local self-administration rather than local self-determination (Bergmark, 2001:29).

A significant change in this situation occurred as part of a comprehensive attempt to strengthen local autonomy, set out in the Local Government Act 1991 (Sveriges Riksdag, 1991). Local authorities were given the responsibility for developing their own local range social services provisions, co-financed through local taxation and government block grants to ensure that national minimum standards in service provisions can be met. The early years of working with this legislation proved difficult, as they coincided with the previously mentioned crisis decade of the 1990s. Due to falling tax receipts, local authorities found it particularly difficult to build up any financial reserves as required by the new law and by 1995 often did not manage to balance their books (Häggroth, 1995:7-8). Furthermore, the new rules created significant differences between communities in terms of availability and quality of services, and there was increased evidence of a conflict between local authorities' savings aims and the government's welfare provision aims (Bergmark, 2001:27). The problem was further increased when in 1995 the cost for programmes to combat youth unemployment and long-term unemployment were transferred from the state-funded job centres to the local authorities (Bergmark, 2001:35), and in 1996 the responsibility for medication costs were transferred from the Social Insurance Fund to the local councils (Försäkringskassan, 2007a:30).

The government, however, was not able to gain financially in these processes, as the need to provide block grants to balance local authority budgets took away savings on direct expenditure through the centrally managed institutions. A key step in stabilising the relationship between state and local authorities regarding social security matters was the introduction of a new Social Services Act, 2001 (Sveriges Riksdag, 2001). The act strengthened the principle of local authorities' primary responsibility in all social matters. More importantly, however, it regulated more clearly general social services entitlements, funding responsibilities and conditions for providing local social services not related to employment (Sveriges Riksdag, 2001). However, it did not resolve the issue of balancing the local authority budgets. How to achieve sustainable local budgets remained a central theme of welfare state debates throughout the 2000s.

The change to a Conservative-led government in 2006 led to increased attempts by the government to use the principle of local autonomy to reduce central government involvement, both in terms of target setting and in terms of financial exposure through the block grant system. Sweden had emerged from the 2007-8 global economic crisis relatively swiftly, and according to Olsson (2011:49), local authorities in 2010 faced a shortfall of only about SEK 9bn, or 0.3% of the Swedish GDP. Two ideas for the stabilisation of local government funding were therefore discussed. A more radical solution, proposed by Stig Nyman (Nyman, 2012:413-15) consisted of the introduction of a Communal Stabilisation Fund, operating like an insurance policy. Each local authority would pay in an annual fixed

amount based on population size – independent of any economic cycles. In years in which expected levels of tax revenue were not reached, the Fund would pay out to cover the shortfall. If necessary in times of crisis, the Fund itself would have to take out loans on the open market. Apparently that was a step too far even for the Reinfeldt government, in particular since this would likely result in a permanent horizontal redistribution of funds between local authorities, without government involvement. The alternative solution, proposed by Clas Olsson (Olsson, 2012:49-51) which eventually found its way into the legislation (Local Government Act 1991 as amended 2012, Ch. 8, §§ 3d and 5a), instead requires local authorities individually to set aside budget equalisation reserves – any surplus greater than 1% of gross income (2% for local authorities with negative equity; see §3d). Shortfalls in any financial year would only be covered by the government if at the end of a three-year waiting period could not be covered by these reserves (see §5a). The government would thus only be required to step in during periods of prolonged economic downturns, and in situations where the necessary expense structures do not allow a local authority to build up any reserves at all.

The latter scenario is most likely to arise in urban areas with particularly high social security and service expenses. A key shift in this respect was the requirement for local authorities to become strongly involved in implementing the activity and development guarantees. While cash benefits are paid directly by the Social Insurance Fund, many of the costs for local vocational training programmes and other qualification schemes are firmly within the realm of local authority responsibilities. In part this had been the case since 1995, when local authorities took over active labour market policy responsibilities for young persons under 20 years of age from the job centres. Local Authorities were asked to develop so-called Communal Development Programmes through which young jobseekers would be offered either some training or qualification, or would participate in public work schemes run by the authority. Initially this can be regarded as just a way to save on costs as participation in a communal programme usually attracted lower social security payments and, more worryingly, excluded these youngsters from participation in other, potentially more attractive schemes run by the job centres (Johansson, 2006:25). The subsequent changes to unemployment legislation have obviated many of the mid-1990s changes, but two elements remain: we still have the separation between younger and older workers (with the 25th birthday now marking the separation), featuring different payment scales, and we still find a strong, and indeed growing involvement of local authorities in labour market policy programmes. It is now possible to place workers of all ages in communal work projects as part of their Activity Grant or Development Grant scheme participation, on the same benefits scales as for other types of activity. According to Johansson (2006:26), by 2006 the majority of Sweden's nearly 300 local authorities had also created their own Employment Market Units to run local training schemes, to provide placements in local public sector institutions, and to manage occasional public works projects.

The reorganisation of previously regionalised job centres into a unified national structure in 2008 (for details see Skoog, 2008) did not break the link to the local authorities. Indeed, an increased co-operation between national and local institutions to ensure effective local implementation is observable. The introduction of Service Centres one-stop-shops for all citizens, covering Tax Offices, Job Centres and Social Insurance Fund offices happened nation-wide between 2009 and 2011, although some local social services need to be accessed in separate locations. However, the co-operation between the national and local institutions focuses in particular on groups of individuals with specific needs, for which both administrative and financial responsibilities are shared: jobseekers under 25 years, recent migrants, and young persons with criminal records in urban locations. Details of on-going co-operation projects can be found on the central Job Centres web site (Arbetsförmedlingen,

2015). One project here is of particular interest as it is the first foray of the Löfven government into the field of enhanced central-local co-operation on labour market policy implementation. From August 2015 a new form of training contract for jobseekers aged 20-24 with incomplete school education is available, which is financially rewarding for both the jobseeker and the local authority. A participant combines attendance at an adult education centre to complete the school education with either part-time employment or a placement with a local public social service establishment – a hospital, a school, a home for the elderly, a home for disabled people, or a recreation centre. Therefore, the jobseeker is getting ‘activated’ in two different ways, and the local authority receives affordable manpower support for the fulfilment of their other social service responsibilities. Such joined-up thinking is perhaps the most noteworthy feature of the Swedish social security system, and one can probably look forward to interesting future developments in this vein.

CONCLUSIONS

The Swedish social security system as a prime example of the Nordic welfare state concept has successfully retained its reputation as a strong, well-developed and popular way of ensuring social security for the entire society. Having faced significant economic sustainability challenges in both the 1990s and 2000s, the social security system has emerged through a series of gradual administrative, procedural and financial reforms essentially not only intact but in all likelihood ready to meet similar challenges in the future. In achieving this modernisation and sustainability, the Swedish case also provides an effective counterpoint to neoliberal arguments which regard welfare retrenchment, austere social security regimes and absolute labour market liberalisation as not only desirable but inevitable features of modern market economies.

Providing jobseekers with not only the bare necessities to survive but with both a solid economic base for them and their families as well as with genuine opportunities for building or retaining a link to the world of work is a sound response to the problem of labour as a commodity. Outright poverty and social hardship is avoided, while the very limited degree of decommodification of labour thus induced actually strengthens the link between the individual, the economy and also the state. To that extent the activation policy may even contribute to developing notions of participatory citizenship (Johansson, 2006:46-47), although recent evidence from urban areas with high concentrations of social problem cases indicates that some engagement with the social security system does not automatically prevent individual personal perceptions of exclusion and being disadvantaged.

The increased involvement of local authorities in implementing active labour market policies has been a significant step forward. Both the greater financial autonomy given to local authorities since 2012 and the improved co-operation between state and local institutions which developed gradually since the early 2000s have helped to create a present situation where it is justified to speak of locally adapted labour market policy solutions. This is essential in a country with very diverse local labour market situations, ranging from intense labour market competition in densely populated social blackspots to actual labour shortages in some underpopulated rural communities stretching across large territorial expanses. Local authorities now by and large possess the legal and financial tools to develop bespoke local labour market programmes which fit their local needs – similar to the situation which had already been established with regard to the provision of social services – but still with sufficient backing by the state and the Social Insurance Fund to ensure continued adherence to national standards of quality of provision and an individuals’ entitlements.

However, it is also evident that it would be difficult to point to the Swedish system as a role model for other, especially larger market economies in the European Union and elsewhere. Not only the population but also the political leadership and the key private economic actors need to show a sufficient political commitment to embark on and maintain such a course of action. In Sweden this has not been a serious issue since the 1930s – insofar the ‘path dependency’ argument has shown significant salience. The broad party-political consensus which not only shows only limited differences in the Social Democrat – Conservative spectrum but also encompasses most other political parties to the left and right as well is testimony to this broad societal consensus. Even the right-wing Sweden Democrats with their ethnonationalist stance (Rydgren, 2006: 108) actually support the welfare state. While they do not wish to share it with anyone who arrives on Sweden’s shores, they are not right-wing tax populists like other parties far right in Europe.

Such a broad societal consensus may be hard to find in other European countries outside the Nordic area. However, the lessons from the Swedish case may not be lost on equally close-knit regional communities which find themselves at odds with the more liberal stances taken by their country’s governments and for which greater control over welfare and social security matters is at the heart of their struggle for greater autonomy or independence – with Scotland, the Basque Country and Catalonia being the obvious examples.

REFERENCES

- Arbetsförmedlingen (eds), 2015, *Projekt och samarbeten*, Summary of co-operation projects, available at <http://www.arbetsformedlingen.se/Om-oss/Var-verksamhet/Projekt-och-samarbeten.html> (accessed 05/08/2015)
- Arbetslöshetskassa.nu (eds), 2015, *Information om höjda nivåer för ersättning från A-Kassa*, Independent online information service, available at <http://arbetsloshetskassa.nu/> (accessed 12/08/2015)
- Bergmark, Å., 2001, 'Den lokala välfärdsstaten? Decentraliseringstendenser under 1990s-talet', in: J. Palme (ed.), *Välfärdstjänster i omvandling*, Stockholm: Fritzens, pp. 21-76
- Caminda, K., K. Goudswaard and O. van Vliet, 2010, *Patterns of Welfare State Indicators in the EU: is there Convergence?*, *Journal of Common Market Studies*, 48:3, pp. 529-556
- Cox, R., 2004, The Path-Dependency of an Idea: Why Scandinavian Welfare States Remain Distinct, *Social Policy & Administration*, 38:2, pp. 204-219
- Deveraux, M., B. Lockwood and M. Redoano (2008), 'Do countries compete over corporate tax rates?', *Journal of Public Economics*, 92:5-6, 1010-1235
- Esping-Andersen, G., 1990, *The Three Worlds of Welfare Capitalism*. Oxford: Blackwell
- Esping-Andersen, G., 1999, *Social Foundations of Postindustrial Economies*, Oxford: Oxford University Press
- EUROSTAT. 2015, *Registered Jobseekers: Annual Averages*, Eurostat online data code tps 0081, available at <http://ec.europa.eu/eurostat/web/products-datasets/-/tps0081>
- Fröberg, D. and L. Lindqvist, 2002, *Deltagarna i aktivitetsgarantin*, Uppsala: Institutet för arbetsmarknadspolitisk utvärdering.
- Försäkringskassan (eds), 2007, *Vägen tillbaka: en beskrivande studie av flödet från sjuk- och aktivitetsersättning*, Stockholm: Försäkringskassan.
- Försäkringskassan (eds), 2007a, *The Scope and Financing of Social Insurance in Sweden 2005-2008*, Stockholm: Försäkringskassan.
- Gustavsson, Y., 2008, *Styra och ställa: Förerlag till en effektivare statsförvaltning*, Stockholm: Fritzens.
- Hanspers, K. (ed), 2013, *Essays on welfare dependency and the privatization of welfare services*, Uppsala Economic Studies Series No. 137, Uppsala: Department of Economics, University of Uppsala.
- Häggroth, S. 1995, *Kommunal ekonomi i balans*, Stockholm: AKO/Fritzens.
- Holmqvist, M., 2009, *The disabling state of an active society*, Farnham: Ashgate.
- Johansson, S., 2006, *Svensk aktivitetspolitik i nordisk perspektiv*, Stockholm: Finansdepartementet.
- Löfven, S., *The Nordic Model of Social Democracy*, Speech at New York University Law School, 21/11/2014, available at <https://www.youtube.com/watch?v=XRiE0ib-sjM> (accessed 12/07/2015).
- Meinhard, S. and N. Potrafke (2012), The Globalization-Welfare State Nexus Reconsidered, *Review of International Economics* 20:2, 271-287
- Nyman, S., 2012, *Vital kommunal demokrati*, Stockholm: Fritzens
- Olsson, C., 2012, *Spara i goda tider. För en stabil kommunal verksamhet*, Stockholm: Fritzens
- Öman, S., 2008, *Avgifter inom arbetslöshetsförsäkringen*, Stockholm: Fritzens
- Palme, J. (ed.), 2001, *Välfärdstjänster i omvandling*, Stockholm: Fritzens

- Persson, C., S. Corlén and S. Suhonen, 2010, *Bokslut Reinfeldt*, Stockholm: Ordfront
- Petterson, H., 2012, *Fran Palm till Löfven. En socialdemokratisk historia*, Stockholm: Premiss.
- Rothstein, B., 2002, 'The universal welfare state as a social dilemma', in: B. Rothstein and S. Steinmo (eds), *Restructuring the Welfare State: Political Institutions and Policy Change*, New York: Palgrave Macmillan.
- Rydgren, J., 2006, *From Tax Populism to Ethnic Nationalism. Radical Right-Wing Populism in Sweden*, New York and Oxford: Berghahn Books.
- Schroeder, W., S.K. Futh and B. Jantz (2015), *Change through Convergence? Reform Measures of European Welfare States in Comparison*, Berlin: Friedrich-Ebert-Stiftung
- Sjöberg, O., 2001, 'Välfärdsstatens finansering under 1990-talet', in: J. Palme (ed.), *Välfärdens finansering och fördelning*, Stockholm: Fritzens, pp. 17-70
- Skoog, P., 2008, *En ny myndighet formas*, Stockholm: Arbetsförmedlingen
- Steinmo, S., 2003, 'Bucking the Trend? The Welfare State and the Global Economy: The Swedish Case Up Close', *New Political Economy* 8:1, pp. 31-48
- Sveriges Riksdag (eds), 1991, *Kommunallag* [Local Government Act], Stockholm: Svensk författningssamling No. 1991:900
- Sveriges Riksdag (eds), 1997, *Lag om arbetslöshetsförsäkring* [Unemployment Insurance Act], Stockholm: Svensk författningssamling No. 1997:238
- Sveriges Riksdag (eds), 2001, *Socialtjänstlag* [Social Services Act], Stockholm: Svensk författningssamling No. 2001:453
- Sveriges Riksdag (eds), 2010, (eds), *Socialförsäkringsbalken* [Social Insurance Code], Stockholm: Svensk författningssamling No. 2010:110
- Tasiramos, K. and J.C. van Ours (2011), 'Arbetsmarknadseffekter av arbetslöshetsförsäkringens utformning', in: O.S. Skans (ed.), *Välfärdsstaten i arbete*, Stockholm: Fritzens, pp. 63-128
- Wendel, L. and L. Olsson (2013), *Humlan som flyger: berättelsen om Stefan Löfven*, Stockholm: Norstedt.

Table 1 Income Replacement Recipients, by Region 2005 - 2014

Region (län)	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Stockholm	93 460	84 177	62 388	47 263	53 636	56 201	49 399	49 252	52 982	51 522
Uppsala	18 430	16 708	12 147	8 914	9 632	9 318	7 761	7 457	7 850	7 189
Södermanland	18 009	16 724	12 767	9 961	12 219	10 838	7 977	8 215	8 672	8 098
Östergötland	31 757	29 021	22 516	17 816	18 658	17 576	14 040	13 724	13 880	12 635
Jönköping	18 793	16 654	12 000	9 429	14 238	12 213	8 102	8 724	9 359	7 780
Kronoberg	9 882	8 788	6 348	4 915	7 484	6 881	4 889	5 016	5 698	4 828
Kalmar	18 791	16 777	12 236	9 394	11 479	10 078	7 513	7 927	7 794	6 541
Gotland	4 978	4 605	3 610	2 887	2 661	2 419	2 138	2 047	2 109	1 857
Blekinge	12 419	11 444	8 553	7 021	7 960	7 227	5 794	5 744	5 841	5 067
Skåne	79 260	73 270	56 004	45 493	51 387	48 585	41 676	42 368	44 993	42 420
Halland	19 396	18 027	13 659	10 359	11 989	11 473	8 969	8 933	9 489	8 476
Västra Götaland	99 128	92 268	68 359	52 487	69 062	63 414	46 886	48 229	50 013	44 742
Värmland	22 076	19 883	15 104	12 228	15 222	13 876	11 030	10 602	10 883	9 685
Örebro	22 161	20 900	15 427	11 829	14 029	12 535	9 532	9 539	10 330	9 180
Västmanland	18 404	17 062	12 825	10 150	12 350	10 823	7 893	7 827	8 197	7 515
Dalarna	22 493	20 552	15 838	12 137	13 300	12 073	9 675	9 448	9 555	8 583
Gävleborg	27 124	24 567	18 900	15 056	16 159	14 457	11 552	11 759	11 762	10 462
Västernorrland	20 351	19 107	15 358	12 664	13 055	12 612	10 404	9 726	9 473	8 498
Jämtland	11 842	10 974	8 448	6 743	7 325	6 973	5 814	5 267	5 010	4 265
Västerbotten	19 338	18 435	13 355	10 643	12 432	11 004	8 247	8 005	8 196	7 518
Norrbottn	24 694	22 639	17 532	14 246	14 515	13 078	10 515	9 718	9 341	8 254
Unknown	678	404	299	270	823	54	25	9	327	114

Note: these figures cannot be added up as an individual may have received Income Replacement in more than one location within the same calendar year.

Source: Inspektionen för Arbetslöshetsförsäkringen (IAF), 2015

Table 2 Activity Grant Recipients by Region, July 2015

Region (län)	Men	Women	Total
Stockholm	11,686	11,614	23,300
Uppsala	1,502	1,719	3,221
Södermanland	2,776	3,085	5,861
Östergötland	4,129	4,879	9,008
Jönköpings	2,105	2,263	4,368
Kronoberg	1,442	1,727	3,169
Kalmar	1,533	1,846	3,379
Gotland	512	519	1,031
Blekinge	1,548	1,929	3,477
Skåne	10,816	13,101	23,917
Hallands	1,679	1,812	3,491
Västra Götaland	10,162	11,806	21,968
Värmlands	2,223	2,619	4,842
Örebro	2,047	2,474	4,521
Västmanlands	2,192	2,545	4,737
Dalarna	1,320	1,821	3,141
Gävleborg	3,299	3,690	6,989
Västernorrland	2,022	2,346	4,368
Jämtland	790	954	1,744
Västerbotten	1,548	2,100	3,648
Norrboten	1,693	2,175	3,868
(Unknown)	43	72	115
Sweden Total	67,067	77,096	144,163

Source: Försäkringskassan, 2015