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Book Review of The Government of Labor Relations in Sweden

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This solid and well written book by the Dean of the Graduate Division of the School of Social Sciences of the American University focuses its attention on the process whereby the labor market in Sweden is governed “by the joint functioning of public and private authority”. It is obvious that in discussing this process due attention must be paid to its most salient features, the collective contract and the Labor Court. While Dean Robbins disclaims any attempt to make “a comprehensive analysis of the law of collective contracts in Sweden” (there being no such work as yet even in Swedish), or “to write an exhaustive study of the Labor Court”, he has succeeded admirably in sketching for Americans a graphic picture of the means whereby Sweden has achieved stability, order and collaboration in labor relations. Moreover, this picture is up to date for the author made a prolonged stay in Sweden and was able to view the effect of war on the Swedish labor system.

Beginning with a very brief survey of industrial relations as a problem in government, the book then proceeds to trace the evolution of the Collective Contract, and to indicate its present trends. Approximately the second half of the book is devoted to the Labor Court and its jurisdiction. The last chapter presents some implications for the future.

As the author points out, present labor relations in Sweden are the result of an evolutionary process which began about the middle of the nineteenth century with the disintegration of the guild system. In the eighties the workers who had been kept in comparatively servile status began to “organize for the purpose of collective bargaining”. In 1899 the Confederation of Swedish Labor Unions Landsorganisationen i Sverige (familiarly referred to as LO), was organized. The employers, hostile at first, subsequently accepted the principle of unionism as a means whereby, through collective contracts, the labor market could be stabilized for definite periods. Although the employers were not in such need of organization as the employees, they also availed themselves of the right of associa-
tion (one of the rights of free men) and in 1902 the Swedish Employers’ Federation, the Svenska Arbetsgivareföreningen (familiarly called SAF) was formed for the express purpose of dealing with the unions. While these two organizations were not the first they are now the largest. Since in union there is strength, their formation sounded the death knell of individualism for employers and employees alike. By 1940 the conditions of employment of over a million persons, or one-sixth of the population, were governed by more than ten thousand small collective contracts between unions and employers. A collective contract, in the author’s words, "is a written agreement concerning conditions of employment and matters related thereto between one or more labor leaders on one side, representing the interests of the worker, and an employer, or one or more associations of employers, on the other side, representing the interests of management'’. Since it is a contract, it imposes mutual legal obligations providing for the conditions of employment, the relations between the parties, and certain means of implementing the contract itself. This contract is not a contract of employment, but it sets up certain requirements for individual labor contracts binding on the employers who are parties to the collective contract. Furthermore, provision is made for negotiations and arbitration of possible disputes. Most collective contracts are made for one year subject to renewal, and renewal is automatic unless due notice to the contrary is given.

Until the Labor Court began its work in 1929 the ultimate sanction behind collective contracts was the strike or lockout. This Court concerns itself with adjudication leaving conciliation and arbitration to the conciliation service or the means provided in the contract. It assumes jurisdiction, of which it is its own judge, only over those disputes which are jural in character, disputes over legal rights (Rättsvister), and not disputes about interests (Intressetvister) which have not been defined by contract or statute as legal rights. Nor will the Labor Court take jurisdiction until other available remedies have been exhausted. But where jurisdiction is assumed, the court proceeds to judgment, awarding damages to the employer, the employers’ association, the employee, or the union, as the case may be, and this judgment is final. If the dispute, however, be nonjural in character, the parties are left free to settle it in their own way using such sanctions as the strike and lockout as may seem necessary. But it is worthy of note that even where sanctions are applied violence is deplored and rarely used. The most significant characteristics of the government of labor relations in Sweden appear to be collaboration, public-private control, and a minimum of state intervention.

It is impossible in this review to consider the Collective Contracts Act of 1928, the Collective Bargaining Act of 1936, the Basic Agreement of 1938 creating the Labor Market Board, the Index Wage Agreements, and many other matters discussed by the author. In view of the space which Dean Robbins has allotted to the Labor Court, however, an additional word about that institution seems not disproportionate. There are seven judges, two selected from nominees of LO and two from nominees of SAF, who must possess special competence in the collective contract system, although, in accordance with a concept met elsewhere in Swedish law, they need not be law-trained. The other three members of the court obviously must represent neither interests of employers nor employees. The chairman and vice-chairman are the law members who must possess both legal learning and judicial experience. The remaining neutral member need not possess these qualifications but must be well versed with conditions of
employment, employment contracts, and related matters. The chairman and four members constitute a quorum, provided the judges representing the unions and the employers' associations be equal in number. A plurality of the court may make a decision. Perhaps because of the composition of the court, or the present distinguished chairman, it has functioned without the delays and other annoyances which plague American law. From 1929 to 1939 the Labor Court decided nineteen hundred and seventy cases, of which three hundred and eight were instituted by employers or employers' associations, while sixteen hundred and fifty, or over five times as many, were brought by the unions or individual workers, who originally opposed its creation.

The Swedish achievement in labor relations is a noteworthy one. Regardless of what may take place in the future, the fact remains that Sweden, a capitalist constitutional democracy, has created a practical means of governing labor relations in which neither labor unions nor employers' associations are suppressed, nor private authority replaced by state power. It would seem, therefore, that totalitarianism need not be the necessary result of a systematic organization of a labor market.

In the opinion of this reviewer, Dean Robbins has made an important contribution to the literature of the labor question. It is to be regretted that he does not draw more comparisons between Swedish labor relations and those of the United States. He writes clearly, reasonably, and with a marked sense of balance. While not recommended as light summer reading, his work is recommended most emphatically to political and labor leaders alike and, incidentally, to newspaper columnists. Students of labor problems may be expected to read it without urging.

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