This is the published version of a paper published in Scandinavian Journal of History.

Citation for the original published paper (version of record):

Double Loyalties?: Small-State Solidarity and the Debates on New International Economic Order in Sweden During the Long 1970s
Scandinavian Journal of History
https://doi.org/10.1080/03468755.2019.1624606

Access to the published version may require subscription.

N.B. When citing this work, cite the original published paper.

This is an Open Access article distributed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives License (http://creativecommons.org/licenses/by-nc-nd/4.0/), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited, and is not altered, transformed, or built upon in any way.

Permanent link to this version:
http://urn.kb.se/resolve?urn=urn:nbn:se:sh:diva-38652
Double Loyalties?

Carl Marklund

To cite this article: Carl Marklund (2019): Double Loyalties?, Scandinavian Journal of History, DOI: 10.1080/03468755.2019.1624606

To link to this article: https://doi.org/10.1080/03468755.2019.1624606

© 2019 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group.

Published online: 20 Jun 2019.

Submit your article to this journal

Article views: 113

View Crossmark data
As North–South conflict appeared to overshadow Cold War tensions in the early 1970s, minor powers as well as non-aligned states across the world faced new challenges. The oil crisis, the rise of environmentalism, and the calls for a New International Economic Order (NIEO) propelled a wide-ranging debate within the Nordic countries regarding their complex position vis-à-vis international development and global environment. In Sweden, these debates reflect the emergence of (inter)national knowledge production about economic inequalities, ecological imbalances, and sustainable development. While these debates can be followed in both media and public debate, they also resulted in a specific body of governmental reports, research projects, and future long-term planning for the 1980s. By analysing a series of such studies from Sweden, this article problematizes the fusing of ecology and economy, the grand strategy of small states, and the local intellectual history of global solidarity during a key moment in the global Cold War. It is argued that the NIEO agenda/ideology played a significant but understudied role in shaping the debate on the balance between development and environment as well as the idea of Sweden’s ‘double loyalties’ as a solidaristic small state and as a competitive advanced economy.

Keywords North–South international relations, New International Economic Order (NIEO), Sweden

Introduction
The Declaration of the United Nations Conference on the Human Environment as adopted in Stockholm in June 1972 is commonly regarded as an early step towards environmental global governance. However, its initiation, impact, and legacy must also be analysed in the context of two interlinked processes: the evolving concern with the future of industrial society, modernity, and the welfare state in the West and the intensifying tensions between the ‘developed’ states of the Global North and the ‘developing’ countries of the Global South regarding development, energy, poverty,
and trade. This identification of global challenges mark the emergence of an increasingly global public debate and the formation of an international knowledge-production regime, focused on future concerns of ‘common interest’.

By explicitly addressing the tension between development and environment, the 1972 Stockholm conference underscored the interconnectivity of ecological and economic – and hence also political and social – problems between as well as within countries, rich and poor alike. While internationally recognized in a series of ambitious future studies launched around the same time – most notably the Club of Rome’s The Limits to Growth – these global questions held particular significance to the hosting nation, Sweden. To an open and export-oriented economy supporting an extensive welfare state – as a social model – and as a small, non-aligned country promoting East–West détente, North–South dialogue, and so-called ‘Third World’ solidarity – as a global neutral – such as Sweden, these lines of conflict spelled important national challenges as well, central to Sweden’s position in the Cold War. Hence, they triggered a wide range of discussions on how a minor but wealthy society such as Sweden could possibly contribute to reducing poverty, improving environment, and strengthening global solidarity and what the consequences would be to its own economy, security, and quality of life, i.e. its position in the world.

Two interrelated economic and political events added urgency to this question, propelling it to the centre of Swedish public debate for the next decade. First, in October 1973, the Organization of Arab Petroleum Exporting Countries (OAPEC) proclaimed an oil embargo in response to certain Western countries’ support of Israel in the Yom Kippur War. The embargo resulted in a threefold increase in oil prices worldwide, not only improving the bargaining position and power of the Organization of Petroleum Exporting Countries (OPEC) but also hiking up the cost of food, medicine, and transport across the world, not the least in the poorest countries, further emphasizing the fusing of ecological and economic concerns.

Second, the oil crisis added traction to the joint demands of the newly independent countries for more equitable terms of trade between North and South, first expressed through the activities of the Group of 77 (G77) within the United Nations Conference on Trade and Development (UNCTAD) and later by the Non-Aligned Movement (NAM). Reflecting OPEC’s success, the Sixth Special Session of the United Nations General Assembly adopted the Declaration for the Establishment of a New International Economic Order (NIEO) in May 1974. Reflecting the dependency theory, the NIEO agenda expressed belief in trade as a driver of development and specified reduced tariffs, increased development aid, more technology transfers, and better control of commodity prices and transnational corporations as necessary measures for a more equitable global market. Suddenly, North–South issues appeared on the verge of eclipsing East–West tension. Against this background, the NIEO agenda not only served to frame ecological and economic risks as a kind of ideology, but also as a normative target for political action. To many observers, it also appeared to provide an opportunity to launch eco-development as a practical instrument towards global justice and human rights, averting or at least managing future natural resource- and human rights-based conflicts between North and South.

The diplomatic history of the NIEO and its eventual demise is well known. But its career as a mobilizing, transnational concept and the global–local history of its impact
upon conceptions of global solidarity across nations both North and South is perhaps less well understood. The purpose of this article is to analyse how the NIEO agenda contributed to shaping humane internationalism and realigning North–South relationships, sometimes long after its eventual failure in the early 1980s. Sweden was among the few developed states to express initial support for the NIEO agenda—a circle which later coalesced into the so-called ‘like-minded group’ of Organization for Economic Co-operation and Development (OECD) countries—the details of which were further negotiated at the so-called North–South Dialogue in Paris as well as within the UNCTAD from 1975 onwards. During the course of these negotiations, the focus of domestic Swedish debate gradually shifted from Sweden’s moral obligations vis-à-vis world society to Sweden’s economic and political position in a global economy shaped by projected escalation of North–South tensions. The significance of this shift can be gauged by the attention directed by successive social democratic as well as Centre–Right Swedish governments in 1973–1982 to the following issues: (1) neutral knowledge production regarding international challenges and national (Swedish) responses; (2) Sweden’s position in the global economy generally and its relationships with the Global South specifically; and (3) its level of ‘freedom of action’ in view of increased interdependencies and growing fears of future North–South conflict.

From the preparatory work towards the Stockholm conference emerged a genre of Swedish studies, reports, and analysis commissioned by various semi-public foundations and research institutes on ‘the problem of survival for small developed states’ in view of future ecological and economic problems. Drawing upon three such studies—‘How much is Lagom?’, ‘Sweden in the World Society’, and ‘Sweden in a New International Economic Order’—this article seeks to analyse the fusing of ecology and economy, the grand strategy of small states, and the local intellectual history of global solidarity.

First, the article discusses how the post-Stockholm environmental concerns fed into the NIEO agenda, transforming into calls for fundamental changes in Western, in this case Swedish, lifestyles; calls which appear not only radical but also prescient from today’s standpoint. Second, it discusses how the fusing of environmental and economic agendas contributed to framing the politico-scientific discourse on Sweden as a solidaristic small state in world society, still extant in contemporary Swedish debates on the Sustainable Development Goals of Agenda 2030 as well as migration and asylum rights. Third, the article shows how NIEO ideology informed Swedish futurology in the face of stagflation and welfare state retrenchment at the end of the 1970s.

In closing, it is argued that Swedish moral commitment—as driven by the calls for NIEO—could also be turned into a geo-economic strategy, as required by market competition. At least rhetorically, these elements could be and were combined, thereby adding discursive resilience to the Swedish policy of accommodation to the demands of the Global South. As such, the NIEO agenda contributed to shaping the doctrine of small-state solidarity and supported Swedish commitment to active neutrality as adopted in the mid-1960s, despite shifts in government from social democracy to Centre–Right in the mid-1970s and economic crisis from the late 1970s onwards. The NIEO agenda/ideology as brought in by the Global South, it is argued, thus played a significant but understudied role in shaping the imagined scope of Swedish international solidarity as a win-win situation; a phenomenon which has often been explained by reference to Swedish domestic factors primarily.
How much is Lagom?

As a participant in the preparatory work towards the Stockholm conference done at the Swedish Ministry for Foreign Affairs, Ministry Secretary Göran Bäckstrand noted in 1971 that environmental issues held the potential of diffusing East–West tension. Pollution transcended the borders of countries divided by Cold War politics. As such, its remedy required the collaboration of recognized as well as unrecognized states, friends as well as enemies. However, several influential developing countries—spearheaded by Brazil—held that global environmental policies motivated by industrial pollution in the North would be detrimental to the development, export, and industrialization of the South.17

Through its distinction between the concepts of ‘pollution of affluence’ and ‘pollution of poverty’, the so-called Founex report, commissioned in preparation for the Stockholm conference under the editorship of Mahbub ul Haq, sought to bridge this tension between development and environment by underscoring how environmental degradation had negative results for rich and poor countries alike.18 Swedish voices in the development and environment debate—e.g. Georg Borgström, Ernst Michanek, Gunnar Myrdal, Inga Thorsson—tended to agree with the Founex report, noting that global environmental degradation not only challenged national sovereignty but also raised the issue of a more equal distribution of growth and use of natural resources between North and South.19 On the basis of the Founex report, Bäckstrand suggested that a UN environmental strategy could become ‘a third link’, forging the UN’s work on peace and poverty into a ‘genuine concentration upon peace and development with equalization’.20

In his speech at the 1972 Stockholm conference, Swedish Prime Minister Olof Palme (1969–1976, 1982–1986) noted that ‘there will be growth. This cannot and should not be avoided’. However, ‘the decisive question is’, Palme continued, ‘in which direction we will develop, by what means we will grow, which qualities we want to achieve, and what values we wish to guide our future’.21 The environmental agenda launched in Stockholm was followed up in an international scientific seminar on resource use, environment, and development strategies in Cocoyoc, Mexico, in October 1974. Jointly sponsored by the UNCTAD and the UN Environment Programme (UNEP), the Cocoyoc Declaration stated that ‘unequal economic relationships contribute directly to environmental pressures’. Recognizing the threats posed to both the ‘inner limits’ of basic human needs and the ‘outer limits’ of the planet’s carrying capacity by growth, the Declaration noted that ‘the cheapness of materials has been one factor in increasing pollution and encouraging waste and throwaway economy among the rich’. Rejecting the ‘catch up’ definition of development, Cocoyoc emphasized the need for ‘collective self-reliance’ as the basis for a ‘new more co-operative and equitable international economic order’, thus explicitly tying together the UN economic and environmental agendas. This would require the developing countries to ‘experiment’ with ‘new development styles’ in anticipation of the upcoming Seventh Special Session of the United Nations General Assembly, scheduled for 1975.22

In preparation for the upcoming Special Session, the Dag Hammarskjöld Foundation asked Bäckstrand and Lars Ingelstam—both then working at the recently
established Secretariat for Future Studies, prominently located at the Prime Minister’s Office— to co-author a report on the need of ‘another development’ in Sweden itself, against the backdrop of NIEO. The result—entitled How Much is Lagom? Sweden as a Case in the Quest for Appropriate Development—aimed to analyse ‘how Sweden might reorient itself if it were to take seriously its obligations to share global resources in equity with other people and to conform with the ideal of perceiving the world as a whole’.

Identifying the tension between the ‘growth’ school and the ‘anti-growth’ school—‘so deeply divided on how to express Swedish global solidarity’—the two authors suggested that such a reorientation should, for psychological reasons, be neither presented as a ‘sacrifice for the sake of global solidarity’ nor designed as a maximum and minimum income ceiling ‘in fixed quantitative terms’. Instead, Bäckstrand and Ingelstam proposed five sets of political proposals which would set a limit to certain forms of consumption: (1) maximum consumption levels on meat (reduction from 58.4 kg per capita (1974) to circa 40 kg); (2) maximum levels of oil consumption (stabilization at 3.5 ton per capita (1970) possibly lower to 3.0 or even 2.5 in the longer run); (3) more economical use of buildings (reduction from 40 m² per capita (1975) by 20%); (4) greater durability of consumer goods (legally stated average life for key products, ‘repairability’, and basic commodities at production prices); and (5) no privately owned automobiles (reduction of number of automobiles to 60–70%).

Admittedly, the direct influence of these measures upon the global resource balance and global poverty would of course be rather small, Bäckstrand and Ingelstam noted. However, ‘more money, better health, [and] general awareness’ would provide compensation at home, in Sweden itself, while the ‘value in a rich country taking some note of its own declarations’ would not merely be symbolic, especially if it could suggest an example or a model of a ‘sustainable way of life’ to other developing countries as well. The oil crisis had already mentally prepared Swedish public opinion for such policy measures, the authors observed. But for a shift in global resource usage in the international system, a ‘global tax structure’, and a redeployment of resources spent on defence research and military technology towards knowledge production on ‘ways and means in which to acquire global security’ would be necessary. Global solidarity was thus explicitly identified as a means towards global security, fully in line with Prime Minister Olof Palme’s conception of active foreign policy. But the most important effect, the authors noted, would be upon the Swedish political climate as well as health, happiness, and equality.

The reactions in Swedish press to this report were mostly shaped by the ‘growth’ school, offering generally negative variations on the theme ‘how is the world to become richer by us becoming poorer?’ Critics asked how much Sweden could contribute to, for example, development aid if it capped its own growth. Nevertheless, the report was widely cited in the intense debate on the reach of global solidarity which followed, not least within the growing civil society organizations engaged in development aid issues. As such, the report played into the popularization of the NIEO agenda in Sweden and the implications of this imperative for ‘another development’ in Sweden itself: ‘an alternative Sweden’ (ett annorlunda Sverige). However, there was also a tension between accepting the necessity and
content of Bäckstrand and Ingelstam’s proposals and the admittedly rather intrusive and technocratic means which would be required, at least initially, to achieve them.  

In this context, the word *Lagom* – translated as ‘enough’ in later editions, and often tongue-in-cheek co-coded with Swedish self-identity as being moderate and pragmatic – apparently held a double meaning, implying both adapting to ecologically balanced growth in Sweden as well as sufficiently compliant regarding the demands of the NIEO. In acknowledging this linkage, the *Lagom* debate contributed to turning the concept of development around, from being a primarily externally oriented task of exporting norms to the so-called Third World into a more introspective scrutiny and call for action directed at Western, in this case Swedish, society. Thus, it turned the task of developing back at the supposedly developed states.

‘Sweden in World Society’

In response to the global shifts caused by the rise of the Global South and particularly the dramatic consequences of the oil crisis, four projects were initiated at the Secretariat for Future Studies in 1975. These projects were: ‘Energy and Society’, ‘Resources and Raw Materials’, ‘Working Life in the Future’, and ‘Sweden in the World Society’. The same year, in recognition of the domestic and international importance of its work, the Board of the Secretariat was given parliamentary representation, international expert groups were invited, and a reference group of Swedish governmental agencies was formed.

The study ‘Sweden in the World Society’ was to analyse ‘the ways in which the international system may evolve over the coming years’ as well as ‘to determine to what extent Sweden and the Swedes will be able to shape their own future and to realize their own values and goals’ as stated in the eponymous final report. In addition to its final report and background materials, the project also delivered a series of sub-studies, ranging from an overview of future studies on global society, various actors in international politics, and Sweden’s cultural, ecological, and economic interdependencies to an account of the images of the country abroad and its future position in the UN.

The latter study offered a first meta-analysis of Palme’s take on Swedish active foreign policy. Palme’s brand of active foreign policy was presented as an explicit ‘small state doctrine’. According to this analysis, under the editorship of Bo Huldt, the balance of terror resulted in an overall East–West détente which could be viewed as positive. Palme, however, had, according to the authors, identified the risk of a superpower ‘duopol’, controlling the affairs of the small states across the world, thus infringing upon national sovereignty, violating national liberation, and stalling development. Here, there was a community of interest between all small countries, whether developed or developing, as the argument went.

This perceived community of interest motivated Sweden’s support for the NIEO. In a speech in Piteå in August 1974 often considered as the public launch of the small-state doctrine, Palme explicitly referred to the NIEO agenda as an example of such small state solidarity, while urging his audiences to consider the reach of such solidarity by asking rhetorically: ‘Is the world’s rich minority prepared to make sacrifices, to give up any of its privileges and positions of power?’ During the autumn of 1974, the interconnection between the small-state doctrine and the NIEO agenda was further underscored by Palme in numerous interviews and speeches in
conjunction with his travels to the Netherlands, Canada, and – most symbolically – his statements in conjunction with his November 1974 visit to Algeria’s leader Houari Boumediene, Secretary General of the NAM and a prominent exponent for the NIEO agenda. Francophone tiers-mondiste press hailed Stockholm as the capital of solidarity, in reference to Palme’s and Sweden’s contributions the Stockholm conference in 1972, and Algiers as the capital of non-alignment, in recognition of Boumediene’s and Algeria’s efforts vis-à-vis the NIEO. Subsequently, Swedish support of the NIEO agenda was officially pronounced in the Statement of Government Policy in the Parliamentary Debate on Foreign Affairs in 1975.

Confirming the centrality of this commitment on the part of Swedish social democracy, an entry on the NIEO was also included in the new Party Programme of the Swedish Social Democratic Party (SAP), adopted at the Party Congress in September 1975. Characterizing both capitalism and communism as suffering from a ‘one-sided focus on economic growth and an ultimately unsustainable waste of natural resources’, the Party Programme specified that domestic growth needs to be subjected to ‘planned management under public control’, while ‘international cooperation must focus on providing a new and fair world economic order. The inevitable perspective is worldwide scarcity management [knapphetshushållning]’. The question of fusing economic and ecological concerns paralleled the issue of aligning Swedish domestic and international policies, as underscored by Palme speaking at the UN General Assembly in November 1975.

Aside from these diplomatic initiatives, more pragmatic forms of global outreach were also extended to the Global South from Sweden during this time. Partially as an emergency response to the oil crisis and partially as a more long-term trade policy aiming at diversifying capital markets, energy supply, and foreign trade, the government took an active stance in negotiating bilateral agreements with several developing ‘progressive’ countries – typically transfers of technology for oil – as well as setting up various mechanisms for closer cooperation between development and industry. From 1970 to 1975, Swedish exports to developing countries increased from 9 to 12.6% of total exports, while Swedish industrial aid grew from 2 to 20% of total aid budget, a not insignificant reorientation of national resources as Swedish development aid that year reached the Swedish government’s target of allocating 1% of GDP to development aid, as set in 1968.

‘Sweden in a New International Economic Order’
The disproportionate growth of Swedish aid above trade signals the significance attached to global North–South issues by the Swedish social democratic government but should not be taken to indicate a lack of interest in Swedish commercial outreach to the Global South in these years. However, this outreach was also a sensitive issue, as it could on the one hand be construed in terms of small-state solidarity through trade and technology transfers, but as neo-imperialism or semi-colonialism on the other. In the elections of 1976, the SAP lost to a Centre-Right coalition lead by the Centre Party, largely due to the ability of the latter to capture popular concerns with nuclear power and to tap into ‘post-materialist values’. With regard to international development and environment, the new government generally tended to follow Palme’s line, if somewhat less articulated, indicating the centrality of the small-state doctrine at the time. While the negotiations on NIEO continued inconclusively at the Conference on International Economic
Cooperation (CIEC) and within UNCTAD, a steady flow of motions and interpellations in Parliament – as well as exchanges between Minister of Foreign Affairs Karin Söder and Olof Palme, in opposition but fundamentally agreed on NIEO – vouch for the continued relevance of NIEO as an important reference object in Swedish political debate. The new party programmes of the Centre Party and the People’s Party – adopted in 1979 and 1982, respectively – explicitly underlined Sweden’s commitment to the NIEO. Both parties emphasized that the NIEO would require substantial changes in Swedish economic policies and lifestyle choices. While challenging, this would provide new economic and social opportunities, given the global economic downturn, both parties held.

By 1977, the pressures of the oil crisis and the rise of the Global South in the shape of OPEC, NIEO, and the Newly Industrialized Countries (NICs), combined with post-materialism, recession, and stagflation in the West, continued to add renewed urgency to the matters under study in the ‘Sweden in the World Society’ futurology project. In recognition of this fact, as well as the explicit support of the NIEO as voiced by successive Swedish governments, the Directorate of the Secretariat for Future Studies earmarked a large proportion of its resources for a three-year project on ‘Sweden in a New International Economic Order’, to be launched in 1978. The Secretariat’s task – now formally subordinated the Ministry of Education – was to provide ‘a review of the demands and proposals put forward by the developing countries and of international future studies with a similar focus’, as well as ‘a discussion of the effects of the New International Economic Order on Sweden and the demands which such an order can make on Swedish policy’.

Noting that an active foreign policy and ‘a concerted policy towards the developing countries’ could not any longer be confined to development policy and UN policy (e.g. disarmament, environment), the project was to study how Swedish domestic policy fields – e.g. trade, exchange, agriculture, industry, science, and defence – could be reoriented in line with the NIEO. As its starting point, however, the study also noted two serious weaknesses in the NIEO agenda which had become evident as the CIEC and UNCTAD negotiations in Paris and Nairobi had reached an impasse in 1977. One the one hand, the ‘Third World front’, which had been united in 1974, had by now splintered into OPEC, NIC, and Least Developed Countries (LDCs), with different interests and diverging views on whether aid, trade, or self-reliance would be preferable. On the other hand, the study cited Gunnar Myrdal’s 1975 statement: ‘The naked truth of the matter is that, failing quite profound changes in the patterns of consumption of the affluent countries, all pious talk of a New International Economic Order is humbug’.

The project delivered studies on the different preconditions of developed and developing countries in adjusting to the NIEO demands, an overview of key international future studies – such as the 1976 report in response to the NIEO to the Club of Rome under the editorship of Jan Tinbergen, entitled ‘RIO: Reshaping the International Order’ – the international division of labour, the establishment of economic free zones as laboratories of neoliberalism across the world and the globalization of production, the expanding credit market due to petrodollar recy-
Aside from these sub-studies, numerous papers from the massive preparatory material produced under this study were also published, due to the interest among the Swedish public as well as government officials in alternative ways of adjusting to the NIEO. In a related move, the second phase of the project invited four civil society organizations – Labour Movement’s International Centre (Arbetarrörelsens internationella centrum, AIC, formed in 1978 and reorganized in 1992 as the Olof Palme International Centre), Ecumenical Developing Country Week (Ekumeniska u-veckan), The Future in Our Hands (Framtiden i våra händer), and Centre for Business and Policy Studies (Studieförbundet Näringsliv och samhälle, SNS) – to present their views of Sweden in a NIEO.

Except the report prepared by SNS, written by economist Marian Radetzki and representing the business interests of Sweden, the reports were the result of joint working groups and generally positive or even enthusiastic about the prospects of adapting Swedish society to the NIEO. Radetzki noted the interest of Swedish business in ‘internationalizing’ its activities, its growing awareness of the importance of environment in general, and in North–South commercial contacts and its embrace of the ‘trade not aid’ focus of the early NIEO proposals. However, the report also voiced the business circles’ scepticism concerning the ‘self-reliance’ track of the later NIEO negotiations and serious concerns over NIC competition, natural resources, energy supply, and de-growth if Swedish economy and society was to be scaled down in the interest of environmental preservation and global solidarity.

The AIC report reiterated SAP support for the values underpinning the NIEO agenda, but as a representative of the broad labour movement, including the trade unions, it also warned of the momentous consequences to Swedish business, and welfare state. In response, it suggested that Swedish society could possibly be divided into an open, competition-oriented sector and a protected, publicly supported sector to ensure the combination of economic growth, global solidarity, and post-materialist values. Theoretically, such a division could be supported by increased exports, self-reliance, tax in kind from communal small-scale production, and bilateral agreements with certain developing countries in the interest of solidarity. The report made clear, however, that this kind of domestic development policy should not detract resources from the development aid budget.

The ecumenical report, representing the religious communities of Sweden, turned the problem upside down, asking: ‘Can the world afford Sweden?’. Turning the question back at the Swedes, the authors of the ecumenical report argued that taking the calls for the NIEO seriously would also require Swedes to consider – and rethink – their ‘ecological footprint’ and to adjust accordingly in the interest of ‘the outer limits of the planet’, resembling contemporary notions of ‘doughnut economics’. Just as in the Lagom debate discussed above, the demands of the NIEO were regarded as an opportunity to enact necessary changes in Swedish society, troubled anomie, bureaucracy, and capitalism. A rather similar perspective was presented in the report provided by the organization The Future in Our Hands, as a representative of the growing alternative movement in Sweden. In their report, the organization sketched an ecopolitical programme for Sweden, implying an adaptation to the self-reliance discourses increasingly popular among representatives of the LDCs and inspired by Norwegian author and Left-wing politician Hartvig Sætra’s
‘ecological socialism’ or ‘populism’. Such self-reliance would be strategic, decoupling Sweden from much of the Western economic exchange except for technology, while increasing trade with the LDCs, the authors of the report assured.

Summarizing the state of the debate on the NIEO in 1979, journalist Göran Rosenberg of social democratic daily Aftonbladet noted that the discussion had essentially reached an impasse, strung between an impossible ‘choice’ of self-reliance or free trade, development or environment. By the time of delivery of the final report of the study on Sweden in a New International Economic Order in 1982, not only the hopes and fears of NIEO had faded. The very idea that a country could have a ‘choice’ also appeared decidedly less credible. Instead, international interdependence spelled a need to adapt to global trends. Now, however, the notion of choice pertained less to Sweden’s foreign policy. Rather, it was fundamentally concerned with the introspective issue of how Swedish domestic policy should be reformed to better prepare the Swedish economy and society for the inevitable increasing global competition between countries and trading blocks, a competition which the NIEO debates had acknowledged but explicitly turned against.

Conclusion
The vicissitudes of returning Cold War tension, energy crisis, stagflation, and post-industrial society had not only brought the NIEO off the charts even in Swedish foreign policy and internationalism at the beginning of the 1980s – the lost decade of development. It had also brought it into the introspective visions of Swedish policy planners and public debate. Here, however, the NIEO debate reverberated long after the NIEO had ceased to be a global agenda option. In the Swedish NIEO debate, two distinct and previously conflicting views on Sweden’s role in a globalizing world increasingly converged: global solidarity through small-scale low tech, aiming at a future reorientation of Swedish society and the production of ‘democratic goods’ intended for export to or co-production with the Global South – in accordance with the ‘anti-growth’ school identified in the Lagom debate in 1975 – could now be conceptually combined with a competitive national strategy through large-scale high tech and industrial restructuring on the basis of existing Swedish economy and technology for the booming NIC markets, more in line with the ‘growth’ school. The former line of thinking served as a motive for Swedish engagement with mega conferences and ad hoc UN meetings, while the latter would ensure that Sweden had something to offer regarding concrete, science-laden, and technology-oriented issues such as climate, disarmament, environment, food, habitat, oceans, population, space, and nuclear winter as an avenue of influence and internationalism for smaller states.

These discussions explicitly combined demands for global solidarity – evidently widely held in Swedish public opinion at the time and embraced by successive Swedish governments, both Left and Right – with national goals of economic and political self-determination in Sweden itself. Judging from the high level of engagement with the NIEO in several different fields in Swedish opinion formation and knowledge production, it appears that the fusing of development and environment, as pioneered in the 1972 Stockholm conference, gained additional staying power and domestic relevance in Sweden through the NIEO agenda/ideology, with its fusing of free trade and self-reliance dogmas.
Swedish active foreign policy and small-state solidarity during the Cold War has been primarily understood as catering to traditional ‘humane internationalism’ and novel New Left sensibilities as well as – but less commonly – a realist adaptation to the geopolitical landscape of bipolar tension. As such, the study of Swedish ‘Third World solidarity’ has thus far primarily focused upon the externally oriented activities such as development aid, diplomacy, disarmament, humanitarian action, and support for national liberation, usually within the framework of the UN system. This solidarity, however – whether primarily idealist or realist or character – has also been shaped by the fusing of national and international policy agendas. This fusing was substantially premised upon the combination of developmental and environmental concerns as outlined at the 1972 Stockholm conference, which, from 1974 onwards, combined with the NIEO agenda to activate the problem of aligning global policy agendas with national policy objectives, putting the reach of de-territorialized solidarity to the test.

While Sweden undoubtedly was part of the West, the small-state doctrine as it matured during the fusing of the Stockholm and NIEO agendas also raised the question if and how Sweden could move from being a ‘welfare state’ to actively contribute to a ‘welfare world’ of global solidarity, unencumbered by national borders. As such, it also brought attention to what diplomats Dag S. Ahlander and Bo Kjellén in their contribution to the study ‘Sweden in the World Society’ called ‘the two faces of Sweden’, and what the final report termed ‘double loyalties’ – ‘loyalties both to the industrialized countries and to the many small and poverty-stricken countries in the Third World’ – potentially troubling Sweden’s Cold War balancing act, but possibly improving its capability in offsetting East–West tensions and paving its own course in a bipolar universe, in commerce, diplomacy, and development aid. Against this background, not only the need to gain trust in the rising so-called Third World served as a dispositif for turning the developmental gaze inwards, but also the NIEO prompted knowledge production on the alignment of domestic and foreign policy agendas, promoting both alternative growth strategies in Sweden itself as well as shaping ideas on Swedish Third Worldism in response to the joint ethical, environmental, and economic imperatives caused by the rise of the Global South.

Notes

2 Garavini, After Empires; Hansen and Jonsson, Euroafrica.
4 Meadows et al., The Limits to Growth.
5 Berger and Weber, Rethinking the Third World.
Labour Movement Archives and Library (ARAB), Olof Palme’s Archives, Statement by Prime Minister Olof Palme in the Plenary Meeting, June 6, 1972.

Similar debates also took place in other Western countries, but there is some evidence to suggest that they received more official recognition in Sweden than even among the so-called ‘like-minded group’. Laszlo and Kurtzman, The Structure of the World Economy; see, however, O’Sullivan, ‘The Search for Justice’, 173–87.

Yergin, The Prize; Dietrich, Oil Revolution; see also Garavini, ‘From Boumediennomics to Reaganomics’, 79–92.


The NIEO must be seen in the context of related initiatives originating within both the UNCTAD and NAM organizations. In October 1974, the joint UNEP/UNCTAD symposium on ‘Patterns of Resource Use, Environment and Development Strategies’ adapted the Cocoyoc Declaration, followed by the UN General Assembly’s approval the Charter of Economic Rights and Duties of States in December 1974 and the UNIDO adopting the Lima Declaration and Plan of Action in March 1975. The latter called for 25% of world industry to be relocated to the developing countries by the year 2000, compared to 7% in 1975.

Murphy, Emergence of the NIEO Ideology.


Pratt and Södersten, Internationalism Under Strain; Stokke, Western Middle Powers and Global Poverty; Södersten, Sweden: Towards a Realistic Internationalism; Helleiner, The Other Side of International Development Policy; Pratt, Middle Power Internationalism; Sluga, Internationalism in the Age of Nationalism.

Utrikesdepartementet, Utrikesfrågor, 22; Stokke, Sveriges utvecklingsbistånd och biståndspolitik; Säkerhetspolitiska utredningen, Fred och säkerhet, 447.

Pratt, Middle Power Internationalism.

The Conference on International Economic Cooperation (CIEC) participants represented three interest groups: (1) developed countries: Australia, Canada, EEC, Japan, Spain, Sweden, Switzerland, USA; (2) OPEC: Algeria, Indonesia, Iran, Iraq, Nigeria, Saudi Arabia, Venezuela; (3) other developing countries: Argentina, Brazil, Cameroon, Egypt, India, Jamaica, Mexico, Pakistan, Peru, Yugoslavia, Zaire, Zambia. Overseas Development Institute, The Paris Conference on International Economic Co-operation (CIEC).

Bäckstrand, Internationell miljövård på väg?, 14; Bäckstrand, Utveckling och miljö i u-länderna, 10, 12.

Development and Environment; for a detailed discussion of the Founex seminar and its impact, see Manulak, ‘Developing World Environmental Cooperation’, 103–27.

Borgström, Brännpunkter; Myrdal, Politiskt manifest om världsfattigdomen; Michanek, The World Development Plan; Thorsson, U-ländernas sociala situation; Åström, ‘Global Consensus or Global Catastrophe?’, 2–5; Larsson Heidenblad, ‘Framtidskunskap i circulation’, 593–621.
Bäckstrand, *Internationell miljövård på väg?*, 27.

ARAB, Olof Palme’s Archives, ‘Statement by Prime Minister Olof Palme in the Plenary Meeting, June 6, 1972’.

The Cocoyoc Declaration adopted by the participants in the UNEP/UNCTAD symposium on ‘Patterns of Resource Use, Environment and Development Strategies’, Cocoyoc, Mexico, October 8–12, 1974; for a discussion, see Bernier, *Comment la mondialisation a tué l’écologie*.

Swedish press somewhat exaggeratedly presented the authors as advisers of the Prime Minister. However, the report did provide a basis for the Swedish report to the Seventh Special Session. *What Now: Another Development*; see also Utredningen om en handlingssplan för hållbar konsumtion – för hushållen, *Bilen, biffen, bostaden*, 194; for a discussion of the motives and context of the Secretariat, see Arbetsgruppen för framtidsforskning, *Att välja framtid*; Andersson, *Choosing Futures*, 277–95, respectively.


For example, Kooperativa Förbundet (KF) launched a series of ‘unbranded’ (private label) products in 1979, following the sales success of the toothpaste *Tandkräm* in 1975; later followed up in Norway.

Bäckstrand and Ingelstam, *How Much is Lagom?*, 12–16.


Bäckstrand and Ingelstam, *How Much is Lagom?*, 17–21.

For a rich account of the wide-ranging public debate which followed upon the *Lagom* report, see Allard and Lindholm, *Lagom*; see also discussion in Utredningen om en handlingssplan för hållbar konsumtion – för hushållen, *Bilen, biffen, bostaden*, 194–5.

Sekretariatet för framtidsstudier, *Challenge to Sweden; Sekretariatet för framtidsstudier, Sveriges internationala villkor*; for the latter, see also discussion in Holmberg, ‘The Future; Historians Look Forward’, 304–312.


Hörberg, *Internationella framtidsbilder*.

Hörberg, *Aktörer i internationell politik*.

Johansson, *Kulturella beroenden*.

Rodhe, *Ekologiska beroenden*.

Iger, *Den svenska ekonomins internationalisering*.

Ahlander and Kjellén, *Sverige sett utifrån*.

Huldt, *Sverige och Förenta nationerna*.


The origins of the small-state doctrine can be traced to Palme’s so-called Gävle speech in 1965, but Huldt also finds parallels in Prime Minister Tage Erlander’s
(1946–1969) 1961 argument that small-state development aid cannot be accused of ‘colonial demands, great power dreams, or side interests’. Erlander’s view would be challenged by New Left scholars. See Berntson and Persson, *U-hjälp och imperialism*; for a discussion, see Stokke, *Sveriges utvecklingsbistånd och biståndspolitik*.

43 ARAB, Olof Palme’s Archives, ‘Speech at the Congress of the Union of Christian Social Democrats in Sweden in Piteå, August 4, 1974’.


46 Sveriges socialdemokratiska arbetareparti, *Program*.

47 ARAB, Olof Palme’s Archives, ‘Speech by Prime Minister Olof Palme in the United Nations General Assembly, November 11, 1975’.

48 From 1979 and onwards, such bilateral agreements were also extended into discussions of regional agreements between the Nordic countries and various regions in the Global South, notably the members of the Southern African Development Coordination Conference (SADCC). In December 1984, the Nordic Prime Ministers decided to pursue this alternative, and in January 1986 a ‘Joint Declaration on Expanded Economic and Cultural Cooperation’ – also known as the ‘Nordic-SADCC Initiative’ – was formalized. For discussions of ‘mini-NIEO’, see Hveem, ‘If Not Global, then (Inter)Regional’, 265–80; Pratt and Södersten, *Internationalism Under Strain*; Kiljunen, *Mini-NIEO*; Sellström, *Sweden and National Liberation in Southern Africa*, 656.


53 Petersson, *Väljarna och valet 1976*; for post-materialist values more generally, see Inglehart, *The Silent Revolution*.


This policy shift, away from development policy (biståndspolitik) to a more comprehensive ‘developing country policy’ (u-landspolitik), was explicitly motivated by reference to the NIEO and the need to align global and national policy agendas, i.e. Swedish domestic policies and Swedish foreign policy, which was prevalent in the government reports prepared on Swedish development policy underway in parallel with the ‘Sweden in a New International Economic Order’ project. Biståndspolitiska utredningen, Sveriges samarbete med u-länderna.


Rosenberg, *70-talet och framtiden*; see also Tinbergen et al., *Reshaping the International Order*.

Laestadius, *Den internationella arbetsfördelningen och frizonerna*; Laestadius, *Produktion utan gränser*.

Engellau and Nygren, *Lån utan gränser*.

Anell, *Världskriget och tidsförhållandena*.


Radetzki, *Sverige och den tredje världen*; for more negative views, see Möller, *Ny ekonomisk världskrigen*; Berg, *Nya ekonomiska världskrigen*; Lundgren, *Nya ekonomiska världskrigen*; for an overview, see Brundenius, *Svenska företags relationer med tredje världen*; for critical accounts, reiterating the accusations of development aid and commercial outreach to the ‘Third World’ for amounting to ‘imperialism’ or ‘neo-imperialism’ current during the late 1960s, see Hermele and Larsson, *Solidaritet eller imperialism*; Brundenius et al., *Gränslösa affairer*.

Arbetarrörelsens internationella centrum, *Handlingsutrymme, samhällsbalans, rättvisa*; see also discussion in Link, *Gränslös utveckling*, 113–23.

Cf. Raworth, *Doughnut Economics*.

Grenholm, *Handla för frihet*.

Sætra, *Populismen i norsk socialism*.

Gustafsson et al., *Ambassadör med tjänstecykeln*; see also discussion in Link, *Gränslös utveckling*, 172ff.

Rosenberg, *70-talet och framtiden*.

Link, *Gränslös utveckling*.

Hultman, *Den inställda omställningen*.

While the final report of the study ‘Energy and Society’ still posits a radical dichotomy between ‘Nuclear Sweden’ and ‘Solar Sweden’, primarily for heuristic rather than political reasons or planning purposes, several other studies around the same time probe the possibility of mixing low tech and high tech. See Lönroth, Johansson, and Steen, *Sol eller uran*; Boston Consulting Group, *En

76 Svedin, ‘Technology, Development and Environmental Impact’, 48–51; for a similar argument, see Huldt, Sverige och förenta nationerna, 135.


78 Huldt, Sverige och Förenta nationerna.

79 This is a growing field of research. See forthcoming works by Mattias Tydén, Urban Lundberg, and Annika Berg; Per Högseius, Dag Avango, and David Nilsson; and Nikolas Glover.

80 Ahlander and Kjellén, Sverige sett utifrån, 20. For similar problematic concerns about France’s developing country relationships, although shaped by extant colonial experiences, see Duverger, Janus: Les deux faces de l’Occident. For a discussion, see Seurin, ‘Maurice Duverger et les deux faces de Janus: Néo-marxisme ou néo-idéalisme?’, 547–60.

81 Huldt, Sweden in the world, 179.

Disclosure statement
No potential conflict of interest was reported by the author.

References


Carl Marklund is a researcher at the Institute of Contemporary History, Södertörn University. His research examines geopolitics and social planning as well as images and models of Scandinavia, e.g. in the Global South.

Earlier versions of this essay have been presented at the Environment, Society, and the Making of the Modern World Conference, Stockholm, 14–16 December 2016 and the Swedish National Conference on the History of Science and Technology, Norrköping, 20–22 September 2017. The author thanks the participants of these gatherings for their helpful comments as well as the critical attention of two anonymous reviewers.