A ‘welfarist’ political economy of skills?

A study of Sweden’s vocational education and training system, as an arena for welfare policies, 1946-1991

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Abstract

This study takes its starting point in the problematic relationship between skills and welfare policies. It poses Sweden’s vocational education and training (VET) as a case which has seen the kind of tripartite efforts that might help us better understand the dynamics underlying a highly developed mixture of social citizenship and efficiency. To better approach this case the study also seeks to combine the theoretical insights provided by the Varieties of Capitalism (VoC) and Power Resources Theory (PRT) schools of thought, capitalizing on an ability to see “both sides of the coin” that such a combination may entail. But to avoid the presumptions that have formed around notions of stable “models” or “worlds”, the study also takes an inductive stance, forming a dialectic strategy that leans heavily on the work of historical institutionalism. Thus a general research question is posed: how can we explain the developments of Sweden's VET as an arena for welfare policies - during the period 1946-1991 - by combining an inductive approach with the insights gained from the theoretical frameworks represented by PRT and VoC? The study proceeds by tracing developments in Sweden’s VET during two sub-periods, taking into account both ideological and business-interest concerns. The aim is first to establish an account of “how” the institutions changed over time. The subsequent analysis brings back the theoretical framework to provide explanations. The study arrives at a number of conclusions: it first of all finds that Sweden’s school-based VET of 1971 itself rested on a firm “cross-class settlement”, which persisted through the reforms of 1991. But when seen as an arena for welfare policies, the foundation appears much weaker: while the reforms of 1971 were influenced by an ambitious welfare policy agenda, the ensuing changes arguably rolled back some of the comprehensiveness and universality previously associated with the labor movement’s education policy. Two underlying hypotheses are presented that focus on the strategic role played by “general skills”: the first hypothesis is that organized capital’s reliance on large firms played an important role in weakening its position vis-a-vis labor, thanks to its dependence on the kind of widely diffused general skills that the labor movement had strategic access to. The second hypothesis is that the same reliance on general skills created difficulties for the Social Democratic Party to create a new cross-class settlement, as circumstances changed. The conclusion suggests further studying the area of general skills as a power resource itself in a comparative perspective.

Keywords: economic history, vocational education and training, Sweden, Varieties of Capitalism, Power Resources Theory
Abbreviations

AY - Arbetsmarknadens Yrkesråd
APU - Arbetsplatsförlagd Utbildning
CME - Coordinated Market Economies
KY - Kvalificerad Yrkesutbildning
KÖY - Kungliga Överstyrelsen för Yrkesutbildning
LAS - Lagen om Anställningsskydd
LME - Liberal Market Economies
LO - Löntagarorganisationen
MTM - Method, Time, Measurement
PRT - Power Resources Theory
SAP - Socialdemokratiska Arbetarpartiet
SAF - Svenska Arbetsgivarföreningen
SAK - Sveriges Arbetsmarknadskommission
SÖ - Skolöverstyrelsen
VET - Vocational Education and Training
VF - Verkstadsföreningen
VoC - Varieties of Capitalism
Y - Yrkesutbildningssakkunniga
YB - Yrkesutbildningsberedningen
YTH - Yrkestekniska Högskolor
ÖGY - Översynsgruppen för Gymnasial Yrkesutbildning
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1. Introduction

1.1 Research problem

1.1.1 The relationship between "skills" and "welfare policies"

The difference between education and welfare policies seems to have become increasingly elusive through the vast economic and social changes of the twentieth century. On the one hand, as the "social state" has grown exponentially during the last century, so has the provision of public education.¹ Marshall's pioneering work on social policy thus treated it as an essential component in his catalogue of "social citizenship" rights.² On the other hand, Wilensky was early to point out, if such policies are seen as means to further the standing of underprivileged groups, public education seemed to be lacking the clearly redistributive qualities of what we consider typical welfare policies - augmenting "equality of opportunity" as opposed to equalizing outcomes. And even if we allow for redistributive outcomes these might only appear as a secondary effect over the long term. Wilensky went as far as arguing that education was "special" and needed to be treated as such by researchers.³ His position resonated widely, perhaps illustrated by how one of the most well known works on welfare policies - Esping-Andersen's "Three worlds of the welfare state" - barely touched upon the topic, Busemeyer & Nicolai point out.⁴

And if we consider the question of "skills" and "knowledge" that lie at the core of education, a distinction seems to be even more obvious at first sight: if one traditionally associates welfare policies with re-distributive conflicts between labor and capital, the picture painted of "human capital" in "New Growth Theory" is the complete opposite - here the skills of the workforce form nothing less than the main pillar of long term growth.⁵ It's hard to think of a more capital-friendly policy area than education, from this perspective. But appearances are

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² Busemeyer & Nicolai 2010, loc. 10418-10444
³ Wilensky 1975, p. 3-6
⁴ Busemeyer & Nicolai 2010, loc. 10397-10418
⁵ Petterson 2000, p. 184
deceptive, since a quick glance at the history of industrial relations reveals the important contentions that formed around the supply of skills, in terms of training and certification.\textsuperscript{6} And on a deeper level, as economists like Becker have shown, firms are many times likely to underinvest in training since human capital turns out to carry special uncertainties, as well as obvious risks involved, such as the ability of other firms to "poach" skilled labor which nullifies a firm's investment. Another example is the special "hold-up" power certain types of skilled labor might come to possess towards their employers.\textsuperscript{7}

It seems fair to say that skills, in this sense, have dual-edged qualities; increasing the efficiency of firms but at the same time introducing new risks into the equation as well as new venues for the struggle over control in the labor market. It is with this problem my study takes its starting point: we might agree that education and skills are "special", but how can one further develop the relationship between skills and welfare policies in a way that takes all of these aspects into account - the democratization and expansion of social citizenship; efficiency; and the dual-edged qualities human capital presents to firms, with direct bearings on power relations in the labor market?

1.1.2 Focus of the study: case selection

One case which has the potential to ground our understanding of how these aspects could be inextricably combined in a political economy, is Sweden. For one, as Rothstein has argued, the country is a critical case in terms of the ability of labor movements to fulfill their class-oriented agendas, due to the uniquely durable reign of its Social Democratic Party (SAP).\textsuperscript{8} At the same time, a "Swedish model" of tripartite coordination between the state and strongly centralized social partners, representing capital and labor, has historically been considered characteristic of Swedish industrial relations.\textsuperscript{9} The research has also indicated skills as an "arena" that has brought together both the labor movement's welfare agenda, as well as the coordinating efforts of

\textsuperscript{6} See for example Thelen 2004.

\textsuperscript{7} See for example Becker 1964, or Hall & Soskice 2001.

\textsuperscript{8} Rothstein 1996, p. 3-4

\textsuperscript{9} Svensson 2015, loc. 14785-17886
industrial relations - especially the area of vocational education and training (VET).\textsuperscript{10} The comprehensive and universalistic provision of Sweden's VET has been a common feature in historical studies, while at the same time, the policy area has also been described as sometimes representing a "high-point" of corporatist relations.\textsuperscript{11} If we take VET to broadly signify the supplying of skills that are demanded by employers, the Swedish "model's" quintessential component of "active labor market policies" can be considered from the same perspective - combining strong coordination by the industrial partners with labor movement ambitions.\textsuperscript{12} To take one example, Hall finds that when faced with demographic changes during the 1960s and 70s, Sweden responded differently from Germany by expanding public sector employment that relied on "general" skills, which he argues offered a better long term solution to labor market coordination.\textsuperscript{13} One might view this as a regime's implementation of social policy that 'calls upon' the provision of skills in a distinctive and possibly important way. Similarly, Danforth’s quantitative analysis indicates that Sweden’s active labor market policies has played a part in making its welfare policies distinctive, at least during the 1980-2000 period.\textsuperscript{14}

To summarize, studying the developments of Sweden's VET as an arena for welfare policies - a policy area which has engaged both labor and capital - might provide a paradigmatic case of the multifaceted relationship between skills and welfare policies and its inextricable ties between efficiency and power relations.

1.1.3 Combining two frameworks

When probing the ambiguities around skills and welfare policies, the research on political economies of "welfare capitalisms" has produced a body of theoretical work that can usefully be applied to study a relevant case. But at the same time we are faced with a conundrum as the two

\textsuperscript{10} See Lundahl 1997. Use of the term "arena" is partly inspired by Nilsson's discussion around VET as an arena bringing together the efforts of various interest groups (Nilsson 1998, p. 5).

\textsuperscript{11} See Olofsson 1997

\textsuperscript{12} See Bonoli 2010

\textsuperscript{13} Hall 2006, loc. 1154-1168

\textsuperscript{14} Danforth 2014, p. 167, 175-176
most influential research agendas to date - Power Resources Theory (PRT) and Varieties of Capitalism (VoC) - have largely remained separate, despite some attempts at building bridges.\textsuperscript{15} In fact, with the research problem in mind, there are many potential gains from combining the two perspectives: VoC is first and foremost an approach that seeks to understand "production regimes" and how firms therein make use of interdependencies inside the political economy's “ensemble” of institutions such as in labor markets, industrial relations, corporate governance, and more, to solve coordination problems. It places the institutions of VET as one of the corner stones inside this process and suggests models of “political economies of skills”\textsuperscript{16} in a way that seems to strike at the heart of our research problem. PRT instead builds upon the role of powerful ideological agendas in shaping the institutions of capitalism, which sometimes makes its hypotheses contrast with those of VoC.\textsuperscript{17} As Korpi argues: VoC can provide insights via its focus on rational problem solving and consensus-based relations, but may risk overlooking the role of persistent class-based conflicts.\textsuperscript{18} At the same time VoC:s work on skill regimes lacks a corresponding match in PRT. We noted above the absence of such considerations in Esping-Andersen's framework, one of the leading analysts following this research agenda. In other words, it might be that the separation of these two lines of inquiry has played a part in continuing the traditional division between efficiency and power, hinted at earlier.

Turning to the case-studies on Sweden's VET, here we find research from a variety of vantage points: from studies adhering more strictly to educational history to those drawing together several elements such as the perspectives of the social partners, as well as the contexts of larger economic and demographic changes.\textsuperscript{19} But the field is still relatively concentrated to a somewhat small number of researchers, and as Abrahamsson points out, typically tied to specific research institutions.\textsuperscript{20} We also find that the bulk of historical work tends to lean heavily towards

\textsuperscript{15} For an overview of the debates see for instance Iversen 2010 and Korpi 2006.

\textsuperscript{16} See Thelen 2004

\textsuperscript{17} See sections 3.2 and 3.3

\textsuperscript{18} Korpi 2006

\textsuperscript{19} See for example Lundahl 1997, Olofsson 2010 and Richardsson 2010.

\textsuperscript{20} Abrahamsson 2000, p. 240
closely tracing empirical developments, perhaps mainly involving some general form of "neo-institutionalism" in making sense of the data, as opposed to increasing the level of abstraction to engage larger theoretical frameworks.\textsuperscript{21} In terms of existing research, there is in other words an opportunity to draw from more established theoretical propositions that have been developed into comparative typologies.

A triangulation that works flexibly with PRT and VoC may also help us transcend some of the criticisms levied at both of them: their ambitions at creating broadly comparative models have led to several studies charging them with falling into the syndrome of typologizing at the same time too rigidly and too broadly - often resorting to sometimes rather weakly based notions of "worlds" or "models".\textsuperscript{22} Working "flexibly" in other words means adopting a more inductive stance in relation to these frameworks, and this study will argue that the broadness of their scope and reliance on deduction tends to turn their theoretical propositions into 'approaches', allowing for an inductive ingredient to create explanations that are more conceptually valid at a lower level. This means that there is an opportunity to utilize "process tracing" as a general technique\textsuperscript{23} to tie historical data and the findings of existing case-specific research to the larger theoretical insights gained by the two frameworks, which is the final piece in my analytical strategy. By drawing upon these three ingredients - triangulation, abstraction and flexibility - we have a chance at creating an account that is both more historically and theoretically valid, beyond any unwarranted preconceived notions implied by "worlds" or "models".

\textsuperscript{21} See for example Lundh 2002 and Håkansson & Nilsson 2013.

\textsuperscript{22} For an overview of these critical discussions around VoC, see Hancké et al 2006. See section 3.3.2 regarding PRT.

\textsuperscript{23} See section 2.2 for this study's definition of process tracing.
2. Method

2.1 Purpose, research questions and delimits

The introduction arrived at an argument for the fruitfulness of combining the two research agendas PRT and VoC for the purpose of analyzing the development of Sweden’s vocational education and training institutions as an arena for welfare policies. If we aspire to build upon recent theoretical advances to approach this topic, a triangulation of PRT and VoC may provide 'both sides of the coin' of economic efficiency and power relations. But the research problem also challenges us to work more flexibly within existing frameworks and their categorizations, since more locally sensitive and historical data may not fully support the well-established typologies we have become accustomed to. In other words, the task is both historically inductive and deductive; tracing causal mechanisms in the data while being guided by hypotheses from the underlying framework. This leads to another aspect which has so far not been dealt with: where the models stop short, we are left with the challenge of finding tools for how to work on a more inductive level. Here the study will attempt incorporate the work of historical institutionalism into the theoretical framework, drawing upon its pedigree of working flexibly with theory and historical data. The "research design" section below will present an argument for how this approach may "fit" within the overall design. Finally, if we are to summarize these aspects into a "general research question” as well as a “purpose”, it might be condensed into the following: how can we explain the developments of Sweden's VET, as an arena for welfare policies, by combining an inductive approach with the insights gained from the theoretical frameworks represented by PRT and VoC? As will become clear throughout the study, the purpose does not imply capturing VET in all its complexity, but focuses more on the problems facing the main actors, with “skills” and “welfare policies” as important areas.

This "method" section will first present the specific research questions that structure the study, followed by a discussion around the delimits in terms of periodization. The remaining sections will look more closely at research design choices as well as techniques for dealing with the sources at hand, while finally presenting an outline to guide the reader through the rest of the study.
2.1.1 Specified research questions

- Research question 1: how did Sweden's institutions for vocational education and training develop, as an arena for welfare policies, during the period 1946-1991?

This first question begins by outlining the basic facts of how the Swedish system for vocational education and training transformed during the selected time period, divided into two sub-periods, against the background of changes in the larger political and economic environment. It also proceeds to process trace the decisions, ideological perspectives and institutional changes underlying these developments. As a summary for each sub-period, the text will apply the tools from historical institutionalism to propose modes of change that captures the unfolding events and continuous processes.

- Research question 2: how can the analytical frameworks of PRT and VoC be leveraged to find explanations for the developments during this period?

Finally, the study takes a look at the entire period and seeks to find explanations by relating developments to the larger theoretical categories from VoC and PRT.

2.1.2 The study's periodization

A choice with significant consequences for what we might hope to find is of course the periodization. This study will follow developments from the period 1946-1991, which comes with some opportunities as well as downsides. The main reason for the chosen period is based on the key moments that the historical research on Sweden's VET has identified. 1946 was the year the “School Commission” was launched, which, while largely dealing with Sweden's primary school, has been singled out as a prominent turning point for subsequent VET developments.24 The endpoint of 1991 coincides with the proposition of "Växa med kunskaper"25 which has often

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24 Håkansson 2011, p. 149, 159.

25 Prop 1990/91:85
been characterized as the most recent large scale reform to the Sweden's main VET system, while developments during the last few years may bring about yet another departure. In other words, if we are to build on the efforts of existing research, these points in time will arguably remain crucial. But there are more reasons: if we think in terms of independent and dependent variables, the starting point of 1946 gives us plenty of time from which to observe the causes that brought about the 1971 "integrated high school" reform, which research has typically characterized as the establishment of Sweden's modern VET - the culmination of a significant reform process involving all relevant actors. It also increases the odds of at least observing two points of variance in terms of 'before/after'. The endpoint of 1991, again, does not imply that no subsequent reforms were made, but to reduce the contextual complexity while analyzing VET as an arena for welfare policies, the current periodization at least allows us to, in an admittedly rough sense, hold constant the highly centralized corporatist relations characteristic of the "Swedish model" as well as the salience of relatively generous welfare policies. While most historians argue that the pressures which strained industrial relations as well as welfare generosity arguably reach back to at least the 70s and 80s, starting from the 90s and on, Sweden saw the implementation of numerous changes to reigning political and economic policies, including deregulations and decentralizations, as well as intensified de-corporatization, the meaning of which remains contentious.

But as will be further discussed in the section on “sources”, there is arguably a qualitative difference in terms of existing research when contrasting the first and second periods. While the first period allows for a fairly detailed process tracing, considering both the viewpoints of actors as well as multiple adjacent processes, the second period is sometimes characterized as more fragmented, displaying early signs of the coming tendencies as the social partners gradually withdrew from their formerly highly visible role in the decision-making process. For this reason the narrative and analysis of the two periods will differ somewhat: the first period will

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26 Lundahl 2008, p. 33. Olofsson 2015, p. 3
27 Håkansson & Nilsson 2013, p. 17, Olofsson 2010, ch 4
29 See section 4.3
devote more space towards finding the relevant causes underlying the creation of the integrated high school, whereas the second period will be more cursory; dealing mainly with the question of how the system itself changed.

### 2.2 Research design considerations

This section will move more deeply into methodological territory by discussing and clarifying some of the overall choices made in order to answer the overarching question and achieve its purpose. A special concern is what "type" of study it may correspond to, and how this will affect the possibility of building upon the results to make comparisons with other cases.

Esiasson et al's general outline provides a good starting point for how to conceptualize the basic design choices: they schematically divide scientific research projects into a number of familiar categories: "theory testing", "theory consuming", "theory developing", and finally "descriptive". This study definitely relates to these concepts on a broad level, but is difficult to pigeonhole into one definitive category: following the focus on VoC and PRT, it might be tempting to conclude that the study is "theory consuming". Esiasson et al characterize this approach as aiming to explain a specific phenomenon with established models, where the focus is on explaining a case (which of the available explanations actually produce the variance?) as opposed to generalizing the findings as a broader test of the theories themselves.30 This captures how the study seeks to explain the developments of the Swedish VET as an arena for welfare policies (dependent variable), by triangulating VoC and PRT (which help provide relevant independent variables).

But the aforementioned need to combine deduction and induction in order to challenge existing typologies makes this category seem partly off the mark. This leads us to perhaps see "theory development" as a better fit, which the authors describe as a search towards discovering new explanations, as opposed to applying a finished theoretical construct.31 There seems to be merit to applying this category; not least, if we recall that VoC and PRT were selected because

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30 Esiasson et al 2004, ch 6
31 Ibid, ch 7
they may provide a way of 'approaching' the topic of vocational education and welfare policies as analytical frameworks, not because they are expected to hand us wholesale explanations.

Yet at the same time, Esiasson et al's description of a typical theory developing study tends to emphasize the role of 'inventing' or 'discovering' more or less new lines of thought through the inductive process.\textsuperscript{32} This contrasts with this study's concern with basing itself in the theoretical advances that have already been made. Here Hay's description of historical institutionalism can be helpful in clarifying the desired balance: Hay views this school of thought as having an inductive disposition, while moving to engage in a continuous dialogue, or dialectic, between theory and history, using the former more as a "heuristic" device that, while perhaps not offering a 'definitive' account, helps keep the search grounded. How can this interplay between theory and induction be defined further? Hay underlines the aim of creating theoretically informed narratives that preserve a sensitivity to the complexity of actual history. Theory claims a stake by serving as a tool for reflection in this process, not just as a means of circumscribing where one might search for causes, but as a means to sensitise our interpretations and elucidations of causal mechanisms, when selecting from the wealth of historical evidence. The claim of history on this process, in turn, is a vow not to prejudge the question of timing or sequencing based on pre-selected models or covering laws - in other words: the way change constitutes itself in the complex interplay of "actors, ideas and institutions". The latter is often assessed through "process tracing" on the decision-making as well as institutional level.\textsuperscript{33} Here a word needs to be said here about the study's use of "process tracing", which borrows from George & Bennett's work on the method. This study's use of process tracing is eclectic and lies closer to an overall 'historical method'. Its purpose is to realize the prioritization of "sequencing" and "timing" mentioned above, by following institutional changes and decision points through a more or less detailed chain of variables and implications.\textsuperscript{34} To be able to trace such processes without facing overwhelming complexity, it's obviously essential that some of the forms and arenas of decision-making are held constant through time. Even if actors varied over time in how

\textsuperscript{32} Ibid, p. 121-122
\textsuperscript{33} Hay 2002, loc. 644-688
\textsuperscript{34} George & Bennett 2005, p. 147
intensely or frequently they approached the various processes in question, the study can once more draw upon that the larger corporatist framework was arguably intact, at least until the end of the period.

An important contribution regarding historical institutionalism, which has direct bearing on the research problem, is Streeck & Thelen’s framework for the different modes of change we might expect to find in historical developments - such as incremental layering, processes of displacement and more. As I would characterize the work of Thelen: she tries to reach a better understanding of how change may be constituted, in order to understand what has ‘not’ changed. This would be of obvious importance for the ability to capture possible "legacies" or "models" over certain time-spans. The difference between my study and those of Thelen is that mine will (1) necessarily be much more modest due to the constraints following the project's size, and (2) subsequently much more reliant on existing theories and secondary research as opposed to digging deeply into the life of institutions and the world that the actors therein inhabited. Fortunately, there is no reason to 're-invent the wheel' as both the areas of vocational education and training and welfare policy-making are relatively well researched (although note the caveats under “Sources”).

Finally, a nagging question concerns how to deal with the problem of "comparisons": since the “theory developing” approach ultimately aims towards creating explanations, this necessarily makes the results preliminary. Any subsequent “tests” would thus have to be conducted on a different set of data. On some level, explanations custom-made for the Swedish context would obviously not be feasible to raise to a higher comparative level. But the results and conclusion will suggest some ways of utilizing parts of the findings, perhaps best conceived as shared ‘problem areas’ under certain circumstances, to help find “critical junctures”, or points where shared trajectories took on different paths.

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35 Streeck & Thelen 2005, p. 31
36 See section 3.1.2
2.3 Sources

With any study aspiring to reach some modicum of historical accuracy, the question of source criticism may entail some difficult choices. As mentioned in the outline of the research problem, this study seeks to, in one sense, build on the accomplishments of existing research. When taking this into consideration, along with the study’s modest scale and the sheer scope of areas touched upon by the problem - educational history, industrial relations, labor markets, institutions for vocational training - the reliance on secondary sources inevitably becomes a heavy ingredient. Here the principle of aspiring to include only the most 'authoritative' studies only take us so far, and this is especially the case when dealing with studies around Sweden's VET. As hinted at above, the field of VET studies has been relatively underdeveloped until recently, with the bulk of studies appearing during the 1990s - as Olofsson argues, not to an insignificant extent due to the renewed interest in vocational education and apprenticeships at the time, reflecting a renewed discourse around the problems of youth unemployment. The relatively recent time-frame of the renewed interest in VET has also been mirrored by an apparently high degree of concentration among historians frequently writing on the topic, with such prolific contributors as Olofsson, Lundahl and Nilsson as standing out.

To deal with this situation as productively as possible, and the risk of falling victim to homogeny in terms of the sources available, there are a few possible strategies to employ: the first comes from the deliberate use of process tracing itself, where the disciplined reliance on linking processes to decisions made by actors has the potential to cut-through some of the skewed framing that may arise from the necessarily rhetorical component of a writer’s argument. But many times the interesting aspects can not be captured in terms of discrete decisions, but rather involve the perceptions hinted at by the main actors involved. Here primary sources become a necessary recourse, which will mainly involve the use of public commissions. Sweden's commission-based system has long been considered a characteristic feature of its consensual decision-making process. And for this reason, as Peterson shows, the commissions are never to be considered strictly "objective" scientific efforts, beyond producing some basic facts about the issues at hand. They are rather another arena that allows the representatives from

37 Olofsson 2000, p. 28-31
relevant interest groups to contribute at various stages of the decision-making process. But this in itself provides an opportunity to capture parts of the main actors' perceptions and standpoints. Yet there will inevitably appear important moments where the perceptions provided by actors are only captured in archival material not available to this study. In such cases the best strategy is simply to triangulate, as much as possible, with other materials studying the same processes.

While attempting to follow all of the above strategies, it's nevertheless the case that some of the parts of the historical analysis stand on firmer ground than others: more specifically, the first period, spanning 1946 to '71, has seen the largest share of research and provides most of the opportunities to present a coherent picture of the developments. The period following the next two decades have not received the same attention, which is not surprising for a number of reasons: first of all, as will be made clear later, the research (and arguably the main actors) from that point on treated the central features of the system of VET as "set", at least until it was later reformed in 1991. Second, this period saw a marked change in the role of corporatist actors in this area - whereas the first period had given the social partners a leading role in reforming the system, the second period saw some foreshadowings of the de-corporatization that possibly followed. As Lundahl finds, this was reflected not least in how the actors related to the commissions: whereas they had often been highly involved during many stages of the process, they now gradually withdrew their direct involvement, whereas they maintained and even increased their assigned statements. All of the above means that the conclusions drawn about the second sub-period are more to be taken as indications in relation to the first, providing not as much a full picture of the system but a relative one.

2.4 Outline

The rest of the study will be divided in the following way: first the theoretical framework will be presented, starting with definitions of key terms and concepts. This is followed by a definition and operationalization of the two theoretical approaches - VoC and PRT. The main task for this

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38 Peterson 2015
39 Lundahl 1997, p. 117
section is to arrive at operationalizations for applying the two frameworks in a way that is specific enough while maintaining room for an inductive approach. To accomplish this, the study makes a choice that may strike some readers as peculiar: whereas section 3 will present the main outlines and concepts of the theoretical frameworks, the ensuing analysis will further incorporate a few case-specific studies that have emphasized certain features of the theories or even added some aspects to better suit the local contexts. The reason for this division is to create a better transition between “general” and “local”/“specific”, which follows from how the theoretical frameworks are to be taken more as “approaches” than fully specific models. During the course of presenting the theoretical framework, the text will also provide some background information and discuss the criticisms raised against either school of thought, in order to place the reader in an appropriate context regarding the studies around political economies. This approach also differs somewhat from the usual disposition in a study such as this, which typically isolates such discussions into its own "background" section. The reason for intertwining such aspects directly into the definition of the framework has been to create a less cumbersome text that avoids taking the reader on too many side-tracks, as the framework has to deal with two often rather disparate research agendas.

The next section presents the main historical developments, divided into two sub-periods. Each period ends with a figure that summarizes the most important discrete decisions and processes that transpired. These summaries attempt to answer “how” the system changed, by applying the tools from historical institutionalism. The final section analyzes these changes with the help of VoC and PRT, which leads to a number of proposed explanations. These explanations are finally presented in a more summarized form in the Results section. The study ends with a conclusion which links back to the research problem's discussion about the relationship between skills and welfare policies.
3. Theoretical framework

3.1 Definitions/operationalizations of key terms

3.1.1 Vocational education and training

An additional delimit or operationalization of critical importance is how to define "skills", alternatively the "political economy of skills". This study will focus on Sweden's VET, motivated in part by how the research has highlighted this area as a focal point, at various turns, for all of the relevant industrial relations actors - as the intro mentioned - but also to take advantage of VoC:s theoretical work which uses VET as a corner stone. But this definition is not without its problems: for one, as Olofsson argues, Sweden's VET is often defined broadly as the 'provision of skills which are in demand by employers'. Such a definition goes well beyond VoC:s paradigmatic example of the German "dual model" and its reliance on apprenticeship-based training. Thus the later analysis will have to inquire what this means in terms of validity problems, stemming from a possible lack of overlap between the definitions.

Second, such a broad definition of VET encompasses a perhaps unusually large array of institutions - aside from in-firm and secondary school-based training, there were active labor market policies, tertiary education, continuing education and numerous hybrid forms. The study will mainly focus on what stood out as the two primary forms of VET during the entire period, which were secondary school as well as the firm-based equivalent. As the introduction pointed out, these ‘central’ forms of VET have often been characterized as combining the kind of tripartite relations the research problem takes aim at. Still, this means that the processes of change taking place 'under the radar', or on the periphery, will not be dealt with as systematically. In as much as it is fruitful to focus on what was worked out inside centralized corporatist relations, such a validity problem might be mitigated, at least indirectly. At the same time, another policy area which the introduction already pointed out as central were the active labor market policies, which were seen to contain another possible continuity. Here a later study might be able to expand its scope and include this policy area as well. Finally, the topic of welfare as

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40 Olofsson 2000, p. 17. Hall and Soskice 2001, p. 25
41 See sections 4.2-4.3.
well as VET developments also have, as will be clear later, strongly "gendered" characteristics. Here the study can only briefly acknowledge some of the trends, while leaving a deeper analysis for what would arguably become a research problem unto itself.

3.1.2 Institutional change

The research design called upon Thelen’s historical institutionalism as an inspiration for how conceptualize institutional change. The following is a presentation of some of her strategies on this topic, while summarizing the tools that will be utilized later to capture a “mode” of change.

Thelen’s research often tries to break down a number of entrenched dualisms, for instance those between accounts of “change” and “stability”. It’s regrettable, she argues, that historical studies from most angles have increasingly tended to draw a sharp line between the mechanisms setting cases on different institutional trajectories (the so called “critical junctures”) and the processes which sustain such institutions into “legacies”. Thelen’s solution is to try and bring the critical junctures and path dependencies closer to one another, by reversing the perspective: instead of starting in a notion of stability, she begins in a view of permanent potential for change. Placing political negotiations as the foundation of institutional arrangements, she first draws upon the notion of interdependence to argue that the connection between processes in different realms - adjacent institutions, the larger environment, political coalitions, and not least from inside the institution itself - leads to the need for constant re-negotiation between the actors. This inevitably opens "gaps" and a challenge for political actors to maintain the equilibria that was once established. Her approach, in other words, hardly anticipates "stasis" in institutional trajectories, as both the external or internal processes may constantly bring about openings for changes, not least through unintended consequences.\footnote{Thelen 1999, p 372-381} Similarly, there is always a need for the actors to interpret the actual implementation of rules, as Streeck & Thelen point out. Thus a creative element of institutions also serves to maintain their openness.\footnote{Streeck & Thelen 2005, p. 16-19} An important “mode” of change that follows from the openness of institutions is “drift”: this form of change follows when the actors in the system display an inability to maintain institutional arrangements by the
necessary, periodical re-negotiations to adapt to changes in the environment which transform the foundation that political coalitions rest on.\textsuperscript{44} The question of drift will become relevant when considering the changes taking place during the second sub-period.

The above descriptions may give an impression of another extreme: permanent flux instead of stability. Here is where Thelen draws on rationalist micro-foundations as a tool for how to discover the durable foundations which support specific aspects of institutions through time. For instance, in her longitudinal study of German bargaining and vocational training, she attempts to isolate the aspects of the system that have turned out to be ‘non-negotiable’, which end up constituting what one might as closely as possible consider a “German model”.\textsuperscript{45} Thus Håkansson, who bases himself on Thelen’s model, is right to argue that the phenomena of “positive feedback effects” or “increasing returns” that progressively may limit what the actors perceive as viable options are real,\textsuperscript{46} but the wrinkle is to keep in mind that such processes cannot be assumed to last. Instead they have to be related directly to the negotiated power constellations, or cross-class settlements underlying such arrangements. And finally, just as important as being mindful of the forces that might militate against stasis, is to keep in mind the role of developments starting at the periphery of a regime. “Layering” is here a mode of change which will be shown to hold some importance for the study. It implies the rising salience of alternate logics in the form of a system that does not (at least at first) directly undermine the existing system. Active agents may at first operate on the "fringe" or on the margins, to eventually crowd out or supplant the previously dominant system. Layering achieves this effect by "differential growth", which involves the often relatively inconspicuous starting point of a new addition, which subsequently grows in size and relevance in relation to the existing institutions, possibly creating fundamental change.\textsuperscript{47} The study will argue that this mode of change in part characterizes developments during the first sub-period.

\textsuperscript{44} Ibid, p. 24-26
\textsuperscript{45} Thelen 2004, p. 36
\textsuperscript{46} Håkansson 2011, p. 68-69
\textsuperscript{47} Ibid, p. 22-24
3.2 Varieties of Capitalism

3.2.1 The principles of Varieties of Capitalism

VoC is, in short, a research agenda that attempts, via micro-foundational modeling, to explain the existence of distinct production regimes. VoC takes a starting point in how firms’ profit-maximizing strategies ultimately lead to the design of robust and problem-solving institutions: as firms attempt to expand their production they inevitably enter into relationships which are fraught with common transaction costs such as principal agent problems and moral hazard. Institutions provide the solution through common frameworks - for instance in terms of information-sharing and effective monitoring. Second, to further enhance their effectiveness, firms will seek to create institutional complementaries that reach far into the political economy, a process that eventually becomes self-reinforcing since rational firms will strive to maximize their comparative advantage. Based on the underlying type of product innovation that firms predominately utilize to achieve market success, VoC predicts that these efforts will coalesce into two distinct production regimes: Coordinated Market Economies (CME, supporting incremental innovation, typically European, excluding UK) and Liberal Market Economies (LME, supporting radical innovation, typically Anglo-saxon). CME create ‘ecologies’ of collaborative institutions, relying on coordinated bargaining; long term "patient" capital and reputation-based network relations, replete with resources for monitoring and sanctioning. LME instead rely on arms-length market competition; decentralized bargaining with higher wage differentials; hierarchical relations; as well as short term relations and capital.48

VoC proposes five “spheres” where firms will encounter problematic relationships: corporate governance; inter-firm relations; employee relations; industrial relations; and finally vocational education and training.49 Considering this study’s scope, the continuing presentation of VoC will mainly focus on the last of these areas.

49 Hall & Soskice 2001, p. 6-7
3.2.2 Skills regimes in economic theory

If the ‘mode of product innovation’ is responsible for the overall contours of the CME or LME categories, the "asset specificity" of skills provides the main explanatory force behind VoC:s theory of the role vocational training and welfare policies. Here it is helpful to begin by exploring how economic theory has dealt with the problems of skill formation. The question whether an economy is dominated by "specific" (either firm or industry specific) or "general" skills becomes a key differential between the types of institutional arrangements that best support ensuring a sufficient supply of human capital. As Thelen argues, and as the introduction illustrated, the economics of skill formation have long been able to point to the persistent collective action problems which deter firms from investing in developing human capital: an important starting point for the discussion around these issues was the notion that firms taking on the training of workers in competitive labor markets faced significant risks due to the prospect of "poaching" by another employer, nullifying the future returns on investment.50

Against this broad proposition Becker put forward a division between general and specific skills: in a competitive market for general skills, he argued, we would not expect any firms to pay for training. The employees themselves would instead be incentivized to make these investments thanks to competition driving up the skill-premium on wages to marginal product. An imperfectly competitive market of specific skills, in Becker’s model, would pose an altogether different scenario: defining “specific” skills as those holding value only to a particular firm and in turn inherently protected from poaching, employers would conversely be willing to bear the cost of investments. An optimal allocation would here rely on that wages were marginally higher than the external market to attract trainees, while sufficiently lower than the marginal product so that the firm could profit from the investment. In Becker’s argument “poaching” was thus not the main problem to solve: in a competitive market, conditions regarding the affordability of education or access to credit would instead provide the primary obstacles to achieving an optimal supply.51

50 Thelen 2004, p. 9-11
51 Becker 1964, p. 11-33. Thelen 2004, p. 11-12
In spite of an intuitive model, subsequent research found that historical patterns did not fit Becker's sharp distinctions. Thelen brings up the existence of a number of hybrids: for instance, non-competitive markets for general skills, but also mixes of skill-types usable to more than one firm. Such “transferable” skills break the rigidity underlying Becker’s logic by making their applicability more widespread, while not creating enough competition to drive up wages to marginal products. But even if Becker's scenarios might best be considered ‘special cases’, his ideal-types became principally important and sharpen us to the two aspects that need to be considered whenever assessing the market for skills: the incentives of firms but also the incentives of trainees, who will have to be compensated for their foregone wages in order to invest.

Finally, and importantly for VoC:s agenda, the relevance of poaching externalities returned as part of this critical discussion. The "German model", with its heavy reliance on apprenticeship training was shown to combine not just state- but also firm-funded training. This despite competition for general skills that were of value to all firms within a particular industry. These “industry-specific skills" were "general" only in the sense of transferability within a relatively specific context, necessitating employer involvement to ensure their quality. Consequently a new research problem emerged that explored how institutions governing these industries were in fact able to limit the exposures to poaching externalities, as well as other potential sources of market failures, and to ensure the necessary investments by firms.

3.2.3 VoC:s view on the political economy of skills and vocational training

This brings us back to VoC:s conception of institutional interdependencies: what VoC has contributed in this debate is to elucidate the links between the aforementioned investment dilemmas and the various institutions around bargaining, financing and social protection. The model maintains an overall distinction between general and specific skills, but connects the relative prevalence of each to the CME/LME categories. It proposes that employers in CME will mainly rely on firm- or industry-specific skills to support their incremental innovation strategies,
making use of the model’s extensive institutional complementaries and non-market coordination to counteract the vulnerabilities to market failures. LME employers, with their reliance on competitive market relations and disruptive innovation strategies, are instead expected to primarily make use of general skills that are often backed by college/university degrees. As mentioned above, the "asset specificity" of skills dominant in a production regime is in other words hypothesized to be divided along, and supported by the logic of the CME/LME dichotomy.\(^{54}\)

Taking a closer look at the CME category, which Sweden has often been associated with,\(^{55}\) how then does its institutional coordination prevent the rise of market failures? If we put the institutions for providing VET at the center, we unsurprisingly find the strongest and most immediate linkages to the deliberations of the social partners of industrial relations, as well as the state. The problems that need to be solved in this area can furthermore be divided into two aspects, following the risks that arise for employers and employees, respectively, when investing in firm- or industry-specific skills:

The first problem concerns uncertainties about the content and design of the training itself. From the perspective of firms, they need obtain substantial involvement in the training process in order to guarantee that the skills produced match their needs. In a well functioning CME, firms that produce industry-specific skills can fruitfully rely on collaborations with broad-based employer associations and unions who are able to share information and monitor the progress of training institutions. Similarly, employees need guarantees that their investments in training will hold value in the market. Here CME can again typically call upon the institutions of industrial relations, including the state, for ways to underwrite the value of training, for instance via authoritative certification or other means to make skills widely recognized.\(^{56}\)

The second problem concerns mutual assurances that the parties who invest in training are able to collect the returns. Here is where the problem of poaching appears, first of all

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\(^{54}\) Estevez-Abe et al, 2001. It’s notable that no definitive causal sequencing follows from this model per se, as the system of complementaries biased towards a certain skill-type exerts an independent pressure upon firms - the model can in other words be taken as ‘holistic’ and self-reinforcing.

\(^{55}\) Korpi 2006, p. 186

presenting the risk, in systems relying on industry-wide skills (often mixing school- and firm-based training), that some firms might free-ride on the training efforts of others, if they themselves do not bare the costs. Equally, we find a need to incentivize firms to train by offering some ability to profit from discounted rates, while protecting against the risk that trainees leave before the end of the discounted period. From the perspective of employees, they need assurances that the discounted training period does not dissolve into exploitation of cheap labor. Again CME tripartite industrial relations can help protect firms against poaching during the training period by monitoring and sanctioning free-riding firms, while ensuring trainees uphold their end of the bargain, for instance through the aforementioned mechanisms of certification. VoC also argues that wage moderation, through "collective" bargaining arrangements, can play a key role in tackling many of these problems: here upper limits on wages offers one level of protection against poaching, while wage floors protect trainees against exploitation. The effective coordination of wages can in turn ensure that differentials are large enough to maintain employer incentives to invest.57

The institutional coordination outlined so far arguably forms the 'core' of VoC:s view on the role of VET, but one can finally note that the model explores further areas of complementarities, creating linkages to systems of social protection as well as political institutions.58 The former gain a direct tie to skills by potentially mitigating the risks entailed by investments in co-specific assets: for instance in how employment protection reduces the unpredictability that comes with a long-term career commitment; or how unemployment protection guards against temporary shortages in demand for certain skills.59 These areas will not be probed further, as this study's focus is somewhat different - analyzing VET in itself as an arena for welfare policies, as opposed to how a system of VET entails institutional complementaries in the form of welfare policies. But as we'll see below the existence of a proposed linkage between social protection and VET is important to keep in mind while discussing some of the contentions between PRT and VoC.

58 See for example Esteves-Abe et al 2001 and Schneider & Soskice 2009
59 Estevez-Abe et al 2001, p. 147-149
3.2.4 In sum: solving the “skills problem”

How can this study take on board the framework and predictions just described? And what does it tell us about the relevant actors to consider for this study? An answer to the latter question should by now be fairly clear: the main collaborative 'partners' in CME (which, again, VoC would classify Sweden as) are labor and employer associations, as well as the state. The analysis may be firm-based, but as Hall and Soskice observe, particularly in a CME, no firm is likely to get dominant enough to "control" or “create”, let alone maintain these collaborative institutional arrangements by itself.  

Regarding how to incorporate VoC:s model, we first recall that the research problem called for a combination of historical induction and analysis resting on theoretical foundations. I will attempt to strike this balance by posing a “problem area” based on VoC:s findings. This approach is borrowed from Hall’s comparative historical study which similarly attempts to analyze developments more inductively, while firmly basing its reasoning on a number of theoretical propositions.

I suggest that VoC highlights the need for production regimes to solve a “skills problem” by ensuring that firms have access to a sufficient supply of skills at any given moment. Furthermore, focusing on CME and the area of vocational training and education, which is the main scope of this study, VoC proposes a number of broad hypotheses: (1) a successful CME will rely predominately on specific skills, and consequently forms of education that promote such skills. (2) CME will solve the requisite coordination problems by strong bargaining institutions, which provide deliberation, monitoring, sanctioning and information sharing.

These propositions are obviously made on a high level of abstraction, which means that when applying them to Swedish developments there will be opportunities to make further specifications. The holistic nature of VoC:s argument does not imply which parts of the toolbox of coordination the actors will lean on when faced with certain pressures, or during times of change (the latter which, we'll see below, presents an important problem for VoC). As Hall

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60 Hall and Soskice 2001, p. 15
61 Hall 2006, loc. 657-673
62 Cf. Culpepper 2001, p. 279
admits, the logic implied by VoC:s notion of complementarity, if taken wholly by itself, can be said to point towards ‘ever more tightly knit coordination’ in terms of the incorporation of new forms of collaboration.\textsuperscript{63} The broadness of VoC:s propositions means that we have to first explore how the main actors perceived and framed their “skills problems” before discussing them in more specific terms. During the analysis, the study can here also draw upon the research of Swenson, Busemeyer, as well as Culpepper who have made important contributions in studying the Swedish context.

3.2.5 VoC: criticisms, conceptualizing power and change

Finally, taking a brief look at the criticisms levied towards VoC will help us better consider the possible need for alternate approaches, and provides a lead-in for PRT:s point of view.

VoC has received a fair amount of criticism since its original formulation. One example concerns a supposed relationship between growth - and in turn competitiveness - and the existence of institutional complementaries. Perraton argues that this conclusion has not really been borne out by the evidence.\textsuperscript{64} In my view such an objection implies a challenge to the rationalist foundation of VoC - if the institutional arrangements designed by actors do not yield their intended results, how can a rationality of competitiveness be said to sustain their existence?

But perhaps most enduring and serious is the charge that VoC is unable to deal with with "change": taken at its most functionalist, VoC can be seen as a theory that aims to explain resistances to change, not change itself. As Boyer has argued, change under VoC tends to be dealt with as something imposed externally upon the model.\textsuperscript{65} Hall and Soskice seem to invite this charge by characterizing VoC as a model for specifying the forces that “condition” changes, as opposed to determining developments directly.\textsuperscript{66} Still, VoC:s proponents have strived to deal with this problem in a number of places. The study by Hall from this thesis’ introduction is one such example, attempting to elucidate the post-war institutional trajectories of change in a way

\begin{footnotes}
\item[63] Ibid, loc. 1138-1146
\item[64] Perraton 2009, p. 4
\item[65] Boyer 2005, p. 33
\item[66] Hall and Soskice 2001, p. 13
\end{footnotes}
that includes endogenous processes. As a way to break out of the notion of stasis, Hall proposes the idea of guided institutional trajectories which constrain the character of partisan politics. Such trajectories mean that coordination might be relaxed in certain areas without weakening the larger system.\(^\text{67}\) But even here, I would argue, Hall ultimately falls back on a picture of 'stability through change', leaving the question of actual change to the system open.

Thelen's own contributions to VoC demonstrate this in another way: as she argues in a comparative analysis of industrial relations, the question of change turns on the balance of power, and the abilities of central actors to withstand pressures that may disrupt the system.\(^\text{68}\) But power is only an auxiliary variable in VoC:s economistic mix of concepts.\(^\text{69}\) What all of this amounts to, in my view, perhaps even more than the 'holistic' reliance on an "ensemble" of institutions, is that the problems around change and power make it particularly appropriate to characterize VoC as something we might call an "approach" as opposed to a fully specified theory, especially when considering its application towards historical developments.

### 3.3 Power Resources Theory

#### 3.3.1 Power Resources Theory and the welfare state

If VoC struggles to incorporate power relations in its explanations, PRT takes these as its starting point. PRT identifies fluid power-distributional conflicts around class-based lines, as the key variable underlying welfare policy developments. The word “resource" can often be taken somewhat literally: power resources come in physical as well as immaterial forms of different quality and scope; they can be possessed, "stored", "mobilized" and used; their deployment involve varying opportunity costs and they can be seen as more or less liquid.\(^\text{70}\) This highly abstract quality to such resources serves to increase their flexibility as a concept, but as we'll see, also plays an important part in making the theory more complex.

\(^{67}\) Hall 2006, loc. 231-246, 1186-1195  
\(^{68}\) Thelen 2001, p. 101-102  
\(^{69}\) Cf. Ibid, p. 102  
\(^{70}\) Korpi 1998, p 44-48
At the core of PRT:s analysis lies a hypothesis regarding the differing power resources available to labor and capital respectively: in a capitalist society, PRT posits, "life risks" tend to be distributed unequally across class lines, following from the relatively privileged position of employers vis-a-vis employees. PRT argues that the most important resources fall under the "economic" and "labor power" categories. While capitalism tends to endow employers with the former in a concentrated form, employees mainly have to rely on their "human capital" which, as a resource, is relatively narrow in its scope as well as permanently tied to its owner, thus creating an asymmetry of dependence in the labor market. Creating and expanding a universalistic welfare state becomes a likely vehicle for the disadvantaged class, compensating for the subsequent depravation of power (and in turn, increased life risks) by conferring resources based on "social citizenship" - as opposed to, for instance, occupational membership. And the process of building welfare policies is usually preceded by various efforts to strengthen and mobilize resources by creating class-based parties; interest group organizations acting in the labor market (in highly corporatist societies these are broad-based labor unions and employer associations); and even in alliances across other societal cleavages.\footnote{Ibid, p. 42-56} These, in other words, form the main actors of PRT, as aggregates of class based interests.

3.3.2 The “Swedish model” and “worlds of welfare”, re-visited

Following PRT:s focus on the interactions between organized capital and labor, Sweden has remained a pivotal case. Against the monocausal analyses of the mid twentieth century modernization theories, PRT pitted the special role played by a strong labor movement in shaping the Swedish welfare state, bringing out the finer differences underneath generic measures like ‘welfare expenditure’.\footnote{O’Connor & Olsen 1998, p. 9-12} This takes us back to the persistent notion of a “Swedish model” that the introduction brought up: as Andersson shows, this concept has been highly fluid and historically constituted, sometimes even used as a branding tool.\footnote{Andersson 2015} But among researchers there is arguably a basic core underneath the extrapolations. In terms of industrial relations the
model signified highly organized and centralized bargaining, characterized by relatively conflict free wage determination at all levels (signified by the oft-mentioned "Saltjöbad Agreement" in 1938), with conflict resolution that was handled by the partners themselves. And this model subsequently became most prevalent during the 1950s and 60s.\textsuperscript{74} In the political economy the “Rehn-Meidner” framework built upon this model, combining solidarist bargaining, high labor mobility (following a ‘security through mobility’ principle), and fiscal restraint to promote high growth, low inflation and full employment.\textsuperscript{75} Korpi’s theorizing builds upon the notion of a “compromise” underlying the Swedish model as the partners agreed to collaborate on achieving growth. The bargain with capital allowed the labor movement greater influence over the results of production (thus providing room to invest in welfare policies) while employers retained the right to control the production process and where to direct its investments.\textsuperscript{76} And as Korpi argues, this bargain bound labor and capital closer to each others’ goals - labor (represented by Löntagarorganisationen, LO) gained headway for an agenda it had initiated, while capital (represented by Svenska Arbetsgivarföreningen, SAF) tied the labor movement closer to the agenda of economic growth.\textsuperscript{77} As we’ll see later in the historical analysis, such mutual ties or “cross-fertilizations” might have played an important role in the developments around VET.

The headway this bargain seemed to provide for labor to expand “social citizenship rights” further led Esping-Andersen to develop a comparative typology in the path-breaking "worlds of welfare states” (briefly described in the introduction). His thesis was in many ways an elaboration of PRT:s foundation, as he based his three welfare state categories on path dependencies that flowed from different ideological foundations. Esping-Andersen developed the notion of "social citizenship" into an indicator he called "de-commodification" - a creative re-working of Polanyi's concept of "commodification", which means the appropriation of the various aspects of human life into commodities on the market. The degree of de-commodification each "world" realized, i.e their ability to ‘protect’ labor from the logic of the

\textsuperscript{74} Lundh 2002, p. 140. Svensson 2015, loc. 14808-14830
\textsuperscript{75} Swenson 2002, loc. 4346-4352
\textsuperscript{76} Huber & Stephens 2001, loc. 1808-1812
\textsuperscript{77} Korpi 1978, p. 82-83. Korpi 2006, p. 193
market, ultimately led to different types of "stratification" in society. Liberalism’s fundamental faith in the market to establish value and emancipate individuals led to it utilize de-commodification the least, instead relying on modest universalist/Beveridgean or means-tested safety nets. Esping-Andersen argued that this foundation consequently served to maintain a high degree of societal inequality. Conservatism offered more generous means to readily replace markets, which were differentiated in scope and eligibility in order to maintain hierarchical statuses based on occupational lines. It conspicuously avoided strongly redistributive outcomes. The final category, socialism (in practice, social democracy) followed most strongly the logic of de-commodification: its egalitarian welfare policies strove to emancipate labor, and thus aimed for the most generous universal benefits and access to services of the highest standard - almost completely crowding out the market - as a pre-condition for worker mobilization. But due to the welfare state's size it ironically became the one most dependent on full employment to maintain tax receipts.78

As the intro made clear, subsequent research has come to challenge this categorization, while it remains highly entrenched in comparative work on the welfare state. Hay & Wincott show that empirical tests following these categories have weakened the fruitfulness of speaking of distinct and internally consistent “worlds”.79 Even if we accept Esping-Andersen's treatment of these worlds as "ideal types",80 the failure to consistently reproduce his categorizations questions the validity of buying into the framework wholesale.

And there are more reasons to be skeptical: Hay & Wincott argue that Esping-Andersen's attempt to tie together de-commodification and stratification employs some rather fuzzy logic, as he never makes clear what mechanism is supposed to link de-commodification to the qualitatively different types of stratification.81 I would argue that there is even a contradictory quality to his approach, as he emphasizes that the "worlds of welfare" and their respective

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78 Esping-Andersen 1990, ch 2
79 Hay & Wincott 2012, p. 64-65
80 Ibid, p. 64
81 Ibid, p. 43-45
stratifying logics are not reducible to measures of more-or-less along a scale, which is however precisely what the de-commodification measure achieves.\textsuperscript{82}

These criticisms against Esping-Andersen point to the fact that, despite having the appearance of a clearly defined concept with equally clear implications, the actual realization "social citizenship" and its associated effects on stratification are in no way self-evident. As we look further at PRT, this should not be surprising, as the practical working out of power resource mobilization turn out to take a number of indirect and highly complex forms.

3.3.3 Measuring "power" and explaining strategic actions

Much of the overt and principled theorizing done under the PRT-label has been provided by Korpi, who has emphasized a clear distinction between PRT and earlier analyses of power in political science. Perhaps most importantly: whereas "behaviorist" theories from the 1950s and 60s, and their following critical reformulations (the "faces of power" debate) effectively narrowed the study of power to its immediate and directly observable implications - at first, the prevailing of one individual's will "over" another's in important decisions - PRT instead starts with the analysis of power resources themselves. Korpi's point is that the mere existence of power resources can be just as important in explaining the behavior of actors. Thus there is more to the study of power than observing its direct exercise, be it in terms of decision-making or agenda-setting. But this, in turn, creates further challenges as Korpi adds that actors should be treated as self-reflective and knowledgeable (rational in a sense that is ‘bounded’ by the situation) about their own and other actors' possession of resources. This means that actors will carry expectations of the behavior of others, and may adjust their aspirations and consequent use of resources, accordingly, in ways that follow a complex set of considerations. And they may equally have incentives to hide their actual resource endowments from overt displays, since the mobilization of resources have costs arising from their use. The end result is, as Korpi notes, that the existence of power resources only offers indeterminate and probabilistic predictions on actors' behaviors, meaning that we may only study the foundation of power, and its effects, through indirect inferences. Korpi instead suggests that we apply "intentional" explanations to

\textsuperscript{82} Esping-Andersen 1990, p. 27. Cf. Hay & Wincott 2012 p. 43
the actors themselves - assuming their ability to formulate and carry out strategic actions, and then putting ourselves in their mindset -\textsuperscript{83} but this creates further complications for the approach: as an observer like Skinner has argued, correctly interpreting the frames of reference that guides individual actions will involve the often steep challenge of placing ourselves in their 'worlds' with its constitutive communication practices, "language games" and so on, as opposed to applying time-less categories.\textsuperscript{84} Even if we assume more homogeneity than what Skinner proposes, we would still face a worthy research project unto itself if we were to approach these aspects on a micro-level.

What emerges from Korpi's discussion, as with "social citizenship", is that what might at first seem like a straightforward analysis of power balances, reveals itself as a fairly complex and hermeneutic framework. Again, as with VoC, it might be more fair to call it an "approach" as opposed to a fully specified model. Fortunately, Korpi has proposed a number of hypothesized patterns that can be said to indirectly demonstrate the effects of certain power resource alignments. The perhaps most important of these is that asymmetries in power resources are likely to lead to only certain policy options ending up on the agenda. If persistent, this in turn may lead to changing expectations and levels of aspiration on behalf of the actors. Diminished expectations can for instance often take the form of various "non-actions", or even cognitive re-orientations away from the underlying power imbalance. In other words, this is PRT:s way of approaching the contentious notions like "false consciousness", while distancing itself from the automaticity and determinism inherent in its Marxist origins.\textsuperscript{85}

As we'll see below, a debate with VoC:s proponents has also thrown additional distinctive predictions of PRT into sharp relief.

3.3.4 Challenges and the difference between VoC and PRT

PRT has in time been met with criticisms from various angles: as O'Connor and others have pointed out, the Grand Narrative of welfare states, and its focus on the traditionally masculine

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\textsuperscript{83} Korpi 1998, p. 38-45
\textsuperscript{84} Skinner 1969, p. 37
\textsuperscript{85} Korpi 1998, p. 47-52, 55-56
domain of industrial labor unions has obscured the dynamics of stratification underlying female labor patterns. Likewise, the same focus has tended to ignore the possibility of the "state" as an actor endowed with its own logic and goals (a bureaucracy, at least in parts self-governing). And PRT:s value in explaining welfare developments faced several blows during the 1980s and 90s, as processes of retrenchment came under way, seemingly without an obvious preceding decline in the power of labor. As Olsen has argued, PRT missed such external influences as global financial liberalization, disrupting the domain of control for traditional, nation-bound actors. To face these criticisms, PRT has had to open itself up to a number of processes outside of its 'core' narrative of working-class mobilization, thus inevitably making the approach even more complex.86

But perhaps the most serious critique has come from VoC (as part of what Korpi calls “employer-centered approaches”) and its focus on employer preferences as the driving force behind welfare state arrangements. The debate between these schools of thought, helpfully summarized by Korpi, offers a great window into clarifying the similarities of and differences between them. He shows that the two share many important features: primarily, the attempts at creating micro-foundations for strategic behavior; the focus on risks and the role of welfare policies as insurance against such risks; and the recognition of actors in tripartite industrial relations as drivers of these developments.87 To this I would add the ambition of providing a general, and ultimately holistic approach to their respective research areas, albeit using different concepts and tools.

What are then the points where VoC an PRT diverge? Swenson raises one, but seemingly devastating point of criticism: through his historical analysis of the “Swedish model” of capital-labor bargaining, as it developed during the first half of the twentieth century, he finds ample evidence that employers not only came to comply with the labor movement’s efforts to expand its own power and the welfare state, but also actively facilitated and even lobbied for these developments. This consensual relationship rested, he argues, on an alignment of incentives facing the two partners towards the establishment of strong labor unions, social protection, and

86 O’Connor & Olsen 1998, p. 15-22
87 Korpi 2006, 168-171, 174, 177, 188
diffusion of the “solidarist” strategies that leading export firms pursued. Swedish solidarism rested on coordinated efforts to narrow wage differentials, in order to avoid predatory underbidding and (even more importantly) the poaching of labor by high-wage firms from industries exposed to international competition, which risked increasing inflationary pressures. But a side-effect of this strategy was the establishment of low-wage disequilibria that produced labor shortages at the going rates, which in turn needed mitigation. The coordinating efforts of two strong bargaining partners allowed at once for the compression of wages, mechanisms of monitoring and sanctioning radicalized segments of the workforce, and later provided mechanisms of diminishing labor shortages through active labor market policies. During this development, social policies such as universal, legally guaranteed pensions equally served to take non-wage poaching tools away from employers. Swedish solidarism contrasted with American "segmentalism" - a strategy based on utilizing wage differentials (or other incentives) to attract and motivate workers, finding its appropriate place inside a fundamentally different industrial relations regime.88 Thus Swenson’s analysis of Swedish employer preferences and behavior, based on what we would see as VoC:s basic model, seems to contradict PRT:s basic assumption of the fundamental capital/labor power struggle. He also points out that it refutes the overly simplistic accounts that he argues has characterized PRT:s treatment of the cross-class bargains or “settlements”, where it’s often implied that labor largely ‘had its way’ over capital’s preferences, based on political strength.89

Korpi recognizes the compelling data Swenson has produced, and the area of employer preferences as a fruitful venue of further research. But he claims that VoC:s counter-arguments err on two counts: (1) misrepresentations of PRT; and (2) a confusion of “consent” with “first order” preferences, reinforced up by a selective reading of the historical data. First of all, Korpi argues that VoC:s characterization of PRT as supposing an ever-present manifest antagonism between capital and labor ignores the fact that PRT does not rely on a “zero-sum” view of power. Instead it acknowledges the prevalence and substantial role of positive-sum conflicts where

88 Swenson 2002, loc. 622-648, 752-778, 1166-1173, 4120, 4632-4643
89 Ibid, loc. 4642-4695
bargaining may result in furthering the interests of both parties. Presuming a balance of power, these types of interactions, Korpi explains, may coincide with the typical picture of voluntary, “contractual” give-and-take from economics-inspired theories of rationalist equilibria (which VoC arguably shares much with). A “negative-sum” bargain might instead be exemplified by events such as strikes and lock-outs. But recognizing that bargaining may come to take a collaborative quality still doesn’t address the accommodating or even “proactive” role of employers that Swenson uncovered. Here Korpi argues that Swenson confuses these friendly gestures with proof of “first order preferences”. The latter are not directly observable, but may be inferred by separating actors into “protagonists”, the initiators of policy proposals and the closest match to those holding first order preferences; “antagonists”, who will persist in opposition to such policies; and “consenters”, who like antagonists become involved at a subsequent stage in the policy-process, but who comply while possibly striving to re-appropriate the contents of policies to better fit their needs. The ability of of protagonists to turn antagonists into consenters is a relevant indicator regarding their efficiency as agenda-setters. Korpi goes on to note that Swenson (and other researchers) have often acknowledged that employers were rarely the initiators of social policy expansions, making the term “consenters” more appropriate for their position in the policy-making process. In other words, by way of Korpi’s solution, Swenson’s observation would not disprove PRT:s assumption about capital’s fundamental opposition towards the expansion of social citizenship rights.

As a final and brief contrast to these debates, the introduction also hinted at that there is more to these debates than simply pitting VoC against PRT: the text instead mentioned that some tentative efforts have been made at building bridges between the two approaches. The most prominent example, and the one with the clearest importance for this study is Iversen & Stephen’s “worlds of human capital”, which proposes three categories that roughly follow Esping-Anderson typology as well as VoC:s dichotomy. The authors’ main contribution is to

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90 Korpi 2006, p. 177, 185
91 Korpi 2001, p. 239-240
92 Korpi 2006, p. 172
93 Ibid, p. 171-175, 181-193
establish some key variables at the beginning of the causal chain and to subsequently test these on a large number of cases. For instance, they are able to quantitatively verify the hypothesis that the combination of proportional representativity along with the lack of strong confessional parties (which in turn allows for the emergence of strong labor movements) has played a significant part in yielding relatively universalist and egalitarian educational policies, increasing levels of human capital at the lowest end of the income distribution. Yet, as promising as these efforts are, they still rely on the assumptions around “worlds” and consistent national “models” which the discussion so far has argued may not be as robust as often presumed. During the analysis, the closer examination of Sweden’s VET will provide an opportunity to return to Iversen & Stephens’ treatment of the Nordic model in light of the results.

3.3.5 In sum: the problem of realizing a class-mobilizing agenda

Following the debate between VoC and PRT, I would argue it should now be fairly clear that a complete reliance on PRT to analyze the broad range of relations appearing in historical data risks resulting in overbearing complexity and indirect inferences. Just as with VoC, a sole reliance on the approach does not seem warranted, further diminishing the notion of a ‘competition’ between the two. For instance, there is nothing in PRT which directly opens a window to the incentives of firms like Swenson’s observations of the manifest “solidarist” logic and the economic compatibilities it entailed. Still, it’s equally clear that VoC and PRT make divergent predictions, and here the only way to completely adjudicate between contending accounts lies in a more context-sensitive interpretation of actual developments. Korpi’s contribution to the debate is useful in dismissing relatively casual and seemingly self-evident appeals to friendly employers, while it’s hard to deny the strength in Swenson’s observation that Swedish employers, while they perhaps had the chance, decided not to demolish the nascent labor movement during the first decades of the twentieth century.

Finally, PRT points to a special “problem area” for its main actors: the ability of the labor-movement to expand an agenda of social citizenship, striving to further their power

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94 Iversen & Stephens 2008, p. 15-25

95 Swenson 2002, loc. 1342
resources in a capitalist society. Related to this struggle, PRT proposes a number of guiding hypotheses: (1) in the labor-capital nexus, labor is expected to strive towards expanding social citizenship rights in order to counteract its relatively unprivileged position in the capitalist system, while capital is expected to oppose or strive to modify the policies as a compensatory measure, to tie labor closer to its own goals. Closely related to this is the hypothesis that the relative strength of power resources accounts for the range of options available on the policy agenda. (2) In the policymaking process, actors can be divided into “protagonists”, “consenters” and “antagonists”, reflecting their preferences for social reform and their relative endowment of power resources.

Just as in the case of VoC, the later analysis will call upon more context-specific research in terms of Swedish developments, where the work of Rothstein, as well as Huber & Stephens, play key parts.

4. Historical developments

4.1 Empirical background

4.1.1 Roots of the Swedish system of general education

Before Sweden's integrated high school formed in 1971, the systems for general and vocational education had long developed along separate paths, while ultimately being affected by common forces. As a background, it's helpful to begin by looking at each in turn, and then to consider how they gradually came to be joined - at least in terms of the "school-based" VET - under one institutional framework.

Reforms to Sweden’s public education came during the twentieth century to be dominated by the creation of a comprehensive and undifferentiated system. In many ways this harkened back to debates during the nineteenth century, which struggled with the question of its purpose: was “education” to represent a strictly “scholarly” ideal, or was it to have a more “practical” (including 'working-life' oriented) aim, providing a shared, comprehensive
knowledge-base one would come to expect from a citizen? As Schånberg argues, the debate never settled on a clear answer at the time, and the tension remained.\textsuperscript{96} This dualism, as Rirchardson describes it, saw its clearest expression in a distinction between “folkskolan” and "läroverken", where the former in practice became viewed as a school for the poor, whereas the latter provided middle and upper classes with multiple pathways, including those to tertiary education.\textsuperscript{97} Olofsson finds that the ideals underlying a "citizenship school", which was partially the 'raison d'être' behind folkskolan, took much of its ethos from the French Revolution. But he argues that in reality folkskolan became little more than a continuation of a highly formalistic, authoritarian, "pre-modern" type of education.\textsuperscript{98}

Yet in some ways this dualism was a luxury in contrast to the situation facing some of Sweden’s continental peers. Sweden had followed a common pattern taking place during industrialization where the increases in wealth promoted increased demand for general education, particularly for the emerging bourgeoisie.\textsuperscript{99} But Sweden was also early in its efforts to expand public schooling which led to a high degree of literacy across different classes, in contrast to countries like France and Belgium.\textsuperscript{100} This introduction of school-based teaching, Schånberg points out, has been held as a key factor contributing to Sweden's success during its late industrialization.\textsuperscript{101} An important underlying difference between Sweden and some of its continental peers, Busemeyer & Nicolai argue, was the dominance of Lutheran Protestantism in the Scandinavian countries as opposed to the Catholicism which characterized parts of continental Europe: whereas the Protestant church hardly faced any barriers to carry out a “maximalist” strategy which entailed a mass educational effort, continental Catholicism was hesitant towards allowing its private institutions to come under public control, thus contributing

\begin{itemize}
\item \textsuperscript{96} Schånberg 2006, p. 265
\item \textsuperscript{97} Richardsson 2010, p. 56-57
\item \textsuperscript{98} Olofsson 2010, p. 36-37
\item \textsuperscript{99} Rothstein 1996, p. 96
\item \textsuperscript{100} Schånberg 2006, p. 264. Cameron 1985, p. 21
\item \textsuperscript{101} Schånberg 2006, p. 263-264
\end{itemize}
less to the provision of public education. As the demand for general education, as well as for specific forms of knowledge and skills increased during the end of the nineteenth century, Olofsson argues further that Sweden's educational system became even more fragmented. But precisely because of this highly differentiated system of "parallel" starting points, the need for bridges between a primary school like "folkskolan" and other educational institutions also became more pressing.

Despite early advantages in terms of a foundation for mass education, fast-forward towards the end of WW2, and voices were now raised that the Swedish school system was falling behind its peers. United States had launched a massive expansion of public education at the secondary level during the first decades of the century. And the path-breaking "School Commission" of 1946 argued that now was the time to overhaul Sweden’s still fragmented system of schools and offer a new, actually comprehensive citizen school, thus putting its foot down on the divisions that had reigned during the previous century. We’ll return to what this choice meant (for both general and vocational education) during the main historical analysis.

4.1.2 VET during the first half of 1900: small steps inside an unregulated model

If Sweden belonged to the pioneers of early public education, this did not extend to the area of VET. Nilsson finds that the country followed a rather typical path of “haphazard” expansion. Paving the way for this growth was the deregulation and dismantling of the guild system. But with one system taken apart, a hole was left in terms of the means to coordinate training for the emerging sectors. During the first years of the 1900s, collective agreements were reached between the burgeoning unions and employer associations which took a few, if hesitant steps: they regulated some of the conditions governing apprenticeships, but not the contents of

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102 Busemeyer & Nicolai 2010, loc. 10628-10639
103 Olofsson 2010, p. 37-38
104 Ibid, p. 43-44
105 Goldin & Katz 1999, p. 685-686
106 SOU 1948:27
training.\textsuperscript{108} Overall, it's not uncommon to liken most of Sweden's VET during the first half of the twentieth century to the British system, with its largely unregulated and voluntaristic character. Apprenticeships (or "apprenticeship-like forms" as Nilsson describes it) were the dominant form of training during this period.\textsuperscript{109} But in contrast to Germany which in Thelen's analysis maintained apprenticeship laws and certification rights tied to the handicraft sector - thus creating an institutional continuity turning into part of the foundation upon which the dual system was built - no such apprenticeship law existed in Sweden at the time.\textsuperscript{110} Instead the Swedish system, especially during the beginning of the century, was known to display many of the symptoms of poor coordination known from the aforementioned economics of VET, including exploitation of cheap labor, poaching, and a generally low quality of training.\textsuperscript{111} Here Lundh-Nilsson & Nilsson, as well as Petterson, have valiantly sought to guard against derisive blanket statements,\textsuperscript{112} but it's clear that many observers as well as the subsequent research often characterized firm-based training as spontaneous, unsystematic and generally of poor quality.\textsuperscript{113} In response to these dilemmas the 1918 vocational school legislation gave the Central Educational Authority, or "Skolöverstyrelsen" (SÖ) the task of filling this institutional space by creating "Lär lingsskolan" and "Yrkesskolan", both were aimed at supplementing on-going employment with in-school theoretical training. While the former was designed to provide a broader foundation for minors, the latter functioned as a higher stage and theoretical supplement for adults.\textsuperscript{114}

But results were generally seen as disappointing, as the courses proved to be of uneven quality and scope, based on the school's location, and were generally considered too detached

\textsuperscript{108} Nilsson 2013b, p. 88-89

\textsuperscript{109} Håkansson, 2013, p. 130. Nilsson 2013b, p. 87

\textsuperscript{110} Thelen 2004, p. 39-40. The question of why such a law did not arrive at this time is a research problem unto itself, as Petterson shows. His discussion shows that capital and labor were at the time unable to transcend mutual suspicions in order to take the first steps towards comprehensive coordination (Petterson 2013, p. 161-163).

\textsuperscript{111} Nilsson 2013a, p. 23. Olofsson 2001, p. 72


\textsuperscript{114} Nilsson 2013a, p. 21-22
from the kind of skills in demand by firms. Their predominately part time character was also seen to negatively affect their ability to provide the educations needed.\textsuperscript{115} 1921 did offer one step which came to have future significance, as "Verkstadsskolan" was created. Geared towards assisting unemployed youths, it offered full time courses which combined theoretical and practical contents, but could mostly only be found in the larger cities.\textsuperscript{116} Still, these were not without consequence: during the 1930s Gustav Möller from SAP, then minister of social affairs, advocated creating special versions of these schools, once more as an attempt to tackle the problem of youth unemployment.\textsuperscript{117} Nilsson also finds that the 30s brought louder calls for improving VET as the production process came to rely decreasingly on purely menial labor. At the center of the discourse were two commissions of the late 30s: "Rationaliseringsutredningen" and "Verkstadsskoleutredningen", which argued for a general increase in VET per worker based on its surveys. But all in all, the school-based vocational training that emerged did not provide a basic, full vocational education. It was instead complementary in a residual sense: it played a role for workers seeking to complete some part of their skill profile. In Nilsson's terms it functioned somewhat like a part of the labor market itself, akin to a tool to be called upon to address a pressing issue, like youth unemployment.\textsuperscript{118} And the residualism of Sweden's VET shone through: during the 30s it was estimated that only 7\% of youths between the ages of 14-20 had received any kind of vocational education.\textsuperscript{119} In sum, historians (and contemporaries) have described the early Swedish system of VET as highly heterogenous; at best sprawling with voluntary efforts to supply vocational training in a variety of areas, more or less directly tied to businesses demand.\textsuperscript{120}

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\textsuperscript{116} Nilsson 2013a, p. 22-23
\textsuperscript{117} Lundahl 1997. p. 67. Olofsson 1997, p. 6
\textsuperscript{118} Nilsson 2013a, p. 22-23, 35. SOU 1938:26. SOU 1939:13
\textsuperscript{119} Håkansson 2013, p. 130
\textsuperscript{120} See for example Nilsson 2013a.
\end{flushleft}
The state of affairs spurred reformers to pass on the issue to the partisan organizations in order to find other solutions, relieving VET from SÖ:’s supposedly neglectful treatment, leading to the creation of a new authority - "Kungliga Överstyrelsen för Yrkesutbildning" (KÖY), which was closely tied to the social partners. As we recall, the end of the 1930s brought about a new chapter in industrial relations; a march towards the heights of the "Swedish model". And keeping in line with the spirit of the “Saltsjöbad Agreement”, both LO and SAF resisted calls for legislating in this area. As they viewed it, only if their efforts to create a coordinated VET based on collective agreements failed, were such measures to become relevant. And in a comparative context, prospects were in some ways bright: Sweden had avoided the kind of early employer-led antagonism which had spawned in places like Great Britain and United States, as its labor movement had resisted the urge to unionize around craft-based lines to directly control the supply of skilled workers.

Thus Sweden’s centralized peak bargaining structure allowed LO and SAF to directly join forces 1944 in "Arbetsmarknadens Yrkesråd" (AY). The institution was proposed the same year in the report by “Yrkesutbildningskommittén” which worked in parallel with the aforementioned late 30’s commissions and was assigned with the task to propose forms for the partners to further coordinate apprenticeships. As Olofsson and others argue, AY became a central institution for the corporatist collaboration around VET. It was first of all given generous resources such as full time staff to complete its multiple missions towards coordinating an expansion of VET. Its assignments were: (1) to investigate the need for VET within the areas represented by the social partners; (2) work towards ensuring that the provision of VET matched the needs of labor markets; (3) act as a coordinating and mediating body towards the collective agreements governing apprenticeships; and (4) forward the cause of VET towards policy-makers, students and companies.

121 Rothstein 1996, p. 103
123 Thelen 2004, p. 92, 148
124 Olofsson 1997, p. 11-12
As Olofsson finds, AY quickly gained recognition for its research and became closely linked to the network of educational and labor market institutions, which provided it with semi-public functions: it became a touchstone for the commissions dealing with VET, and was also involved in general education reforms; it came to gain inroads into the area of labor market coordination by its close collaboration with the Swedish Labor Market Commission (SAK); it worked continuously with the "apprenticeship departments" (later "vocational departments") which had formed in a number of firms; and finally, it acted as a resource throughout the larger area of VET, providing support in the form of teaching materials and other knowledge-based resources. The institution itself was first headed by Georg Styrman, who also headed the employer's association representing the largest engineering firms, a relationship which came to continue, as we'll see below.

4.1.3 The puzzle of an abandoned model

With these ingredients in place, one might have expected KÖY and AY to follow through with their vision: which was, as Nilsson summarizes, a principally apprenticeship-based vocational education, supported by comprehensive teaching in school-based forms. In other words, a system perhaps not too dissimilar to the German dual model. AY worked energetically to create a solid basis for VET, making field-trips to firms, hosting conferences, and more, seemingly in a spirit of confidence and consensus. But in 1971, less than two decades after the 1952 Yrkesutbildningssakkunniga (Y) Commission was created, which had resulted in a dramatic expansion of vocational schools, a new integrated public high school was launched. This model offered a much broader, less vocationally specific VET than any of the forms previously on offer. Here Petterson finds a contrast with Denmark which chose a path leaning more heavily on apprenticeships, in the face of similar discussions taking place. Nilsson notices a certain

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125 Ibid, p. 12-13
126 Nilsson 2013b, p. 104
127 Olofsson 1997, p. 13
128 Nilsson 2013a, p. 28-29. SOU 1954:11
129 Petterson 2013, p 178-181
irony in this development as, not only did the public vocational schools see a massive inflow of students from the 50s and on, the apprenticeship-based forms of teaching saw something of a comeback during the 1960s. For instance, industry-schools saw their admissions triple, albeit from low levels. The decline in apprenticeships was a long term process, as Nilsson notes, but not linear. As these methods finally seemed to find their footing, a substantially different system became widely diffused across the country.\textsuperscript{130} We'll come back to this irony and keep the mixture of trends in mind, moving on to the main historical investigation.

4.2 Period 1: formation of a ‘school for all’, 1946-71

4.2.1 Tracing the path towards 1971’s integrated VET

While the apprentice-based system of training continued its long term decline, the 1960's brought a series of large scale reforms to the educational landscape: 1962 bookended the reform process of the primary school that been in motion since the beginning of the century, while school-based vocational education at the secondary level was soon transformed from providing over 50 relatively specialized courses governed by numerous institutions, into 14 two-year "lines", now part of a tightly integrated "comprehensive school" organized under one authority.\textsuperscript{131}

The presentation will proceed by focusing on three pivotal reports - the School Commission report in 1948; the 1954 report by Y; and finally the 1966 report by Yrkesutbildningsberedningen (YB), the latter which ultimately brought the 1971 VET into being - while tracing the adjacent processes tying these together. Afterwards, I will pay special attention to tracing both ideological fault lines as well as business interests in connection to these decisions, following the study’s ambition to combine the frameworks of VoC and PRT. When taking a full view of the changes taking place, I will argue that they can be characterized by a process of co-option or "layering", tied to a larger conjuncture; combining technological, economic and demographic changes with the reforms to Sweden's general education system.

\textsuperscript{130} Nilsson 2013a, p. 21. Nilsson 2013b, p 109-111
\textsuperscript{131} Nilsson 2013a, p 33. The “over 50” measure in turn only included to the full-time courses towards industry and crafts (SOU 1966:3, 66). The parliamentary decision of 1962 launched the 9-year primary school (Olofsson 2010, p. 58).
4.2.2 The commission of 1946 - against differentiation and parallelism

The reform project to Sweden’s public schools picked up in the decades following WW2 and involved both the primary and secondary levels. As the background showed, the debate jumped right into the divisive issues of the last century, but now facing a different and more fragmented landscape. Against this context, the 1946 report by the School Commission was a definitive step that set the general education reforms on a course, which in turn had several direct consequences for Sweden's school-based VET.

The School Commission was initiated by then SAP education minister Tage Erlander who confidently called for a "fundamental" re-organization of the primary school system, which he suggested would result in profound societal effects in the foreseeable future. Following a relatively uneventful 1930s, SAP now went on the offensive in its ambitions to reform general education. The report itself came down strongly on the side of a "citizen's school", which would replace the "parallelism" (as in parallel education paths) of what it viewed as a highly differentiated system, with its underbelly of reproductive and "authoritarian" traditions predominant in "folkskolan". A school for the age of democracy was the ideal, just as much raising autonomous, collaborative and critically minded citizens as providing basic general skills. Thus the report embraced comprehensiveness as the natural tool for an across-the-board raise in the 'cultural level' of its students. While conceived as a ‘school for all’, the project still showed its share of elitism in its mission to inculcate certain ideals upon children from the lower strata, as Olofsson argues. Differentiation was itself viewed more akin to a necessary evil, an artifact of the current system's narrow prioritization on a certain kind of theoretical talent, which was to be replaced by "individualized" pedagogics, along with an increasing admixture between ‘hand' and ‘head', breaking the traditional divide between practical and theoretical knowledge.

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132 SOU 1948:27, x
133 Lundahl 1997, p. 61. Richardsson 2010, p. 110
134 SOU 1948:27, 3-7
135 Olofsson 2010, p. 48-54
These points - the attack on the "parallelism" of the current system; the critique against differentiation and a favoring of individualized teachings - dovetailed nicely with the discussion on education outlined in the labor movement's post-war manifest of 1944. But it's important not to confuse SAP:s initiative with originality. Following Olofsson's aforementioned point, the time was ripe for tackling the fragmentation of Swedish schools - for one, the conservative school minister P E Lindström had argued for a comprehensive citizen school as early as 1911.

The 1946 commission based itself most immediately on the findings by the interrupted 1940 layman commission, which had been assigned by the conservative education minister Bagge. Amidst its extensive denouncements against the current system, the most tangible change by the 1946 report was to include an additional compulsory year (from 8 to 9). Of greater significance, Rothstein argues, was the amount of political capital SAP invested in general education from this point on (ultimately encompassing both the primary and secondary levels) highlighted by numerous statements through the first post-war decades, as well as by assigning SAP education ministers to directly head two of the public commissions - a rather unusual move at the time. To further underline the reforms as a social democratic ‘pet project’ one could add the dominance of SAP politicians in the 1946 commission along with the remarkable arrangement, Rothstein points out, whereby the commission itself supervised the ensuing trials. SAP overall gave the reform project strongly ideological overtones by taking aim at how the current system represented "class-society in miniature", and sought to turn these class-constitutive powers on their head by attacking the differentiation, competitiveness and uneven standards seen as underpinning the old system. This was a highly idealistic vision, Rothstein argues, and consistently much more vague in terms of implementation and in its mechanisms for increasing the labor movement's power than the full employment aims underlying, for instance, active labor market policies. But SAP:s change in tone and ambition had immediate effects, as SÖ, which was ultimately set to implement the new policies, balked at the commission's

137 Arbetarrörelsens efterkrigstidsprogram. De 27 punkterna med motivering 1944, p. 40-41
138 Lundahl 2008, p. 41
139 Rothstein 1996, p. 102
140 Richardsson 2010, p. 110-111
antagonizing rhetorics. The Conservatives on their part (who in turn had held control over the composition of SÖ during the 1940s), guarded the ideals of differentiation to maintain the status of elite academic educations. Thus in 1950, SAP had to settle for an extended trial period before an ultimate decision was made.\footnote{Rothstein 1996, p. 54-56, 105, 138-142. The way full employment would strengthen the labor movement can be understood as rising from the unity maintained when bargaining in the labor market (Rothstein 1996, p. 56-57)}

Finally, the 1946 commission presented one more innovation which, as we'll see below, had important consequences in the area of VET: during the 9th year, the commission opened up for an initial, definitively differentiating step where "9y" was to provide a basic orientation in VET.\footnote{SOU 1948:27, 223} In its comprehensive scope the commission here sought to address the weak state of vocational training, as well. As Olofsson points out, the School Commission had in effect now created a new kind of "preparatory" stage in the school-based VET. But ambitions aside, the report left many of the questions of its specific designs open, instead calling for a collaboration between primary and vocational schools to coordinate this first departure from the shared, unified path, into an appropriate career.\footnote{Olofsson 2010, p. 55-56}

### 4.2.3 The 1952 vocational school expansion

Turning back to Sweden's VET, the report by "Yrkesutbildningssakkunniga" (Y) in 1952 became a crucial meeting point between the process launched in 1946 and AY:s governance of VET reforms. As the background mentioned, the commission’s proposal also resulted in a large scale expansion of school-based VET. The commission's main assignment was to propose changes to the system of vocational schools in light of the organizational changes yielded by the School Commission, including the creation of 9y. But in addition to this task, Sweden’s then education minister "Ivar Persson" of the centrist agricultural party (Bondeförbundet) also directed the commission to suggest ways to raise the status of vocational education.\footnote{SOU 1954:11, 8-10. Olofsson 2010, p. 65-66} An important background, according to Nilsson, was that the social partners could note with some frustration
that even after devoting significant resources, the interest in VET remained muted among youths.\textsuperscript{145} The commission itself was notably absent of direct representatives from the social partners, and relied instead mainly on specialists from the school system.\textsuperscript{146} But as we’ll see, this did not mean that AY and the social partners lacked a presence in the report. The hope inside AY was now that Y would call for stronger financial support behind the vocational schools.\textsuperscript{147} As it turns out, all of these considerations came together in the report, which put forward a rather clear advocacy towards an increased role for school-based VET.

The creation of 9y:s widely diffused "preparatory" stage (and the overall elongation of the primary school) placed a number of conditions upon the reforms of school-based VET, Olofsson argues. Its existence meant that the level of vocational schools would have to be on par with secondary schools in general - deepening and also broadening the skills to be taught (while some rudimentary skills could be moved to the primary level) which would in turn call for a substantial increase in funding. And it equally entailed a greater organizational burden on the local level.\textsuperscript{148} Y:s report thus gave much attention to how vocational schools now needed to play a part in the new comprehensive system while extending themselves to fulfill multiple aims: (1) a preparatory orientation at the 9y level; (2) a basic vocational education at the secondary level, still in a complementary relationship with firm-based apprenticeships, but with a much stronger emphasis on full time courses than previously; while (3) becoming flexible enough to give students pathways between the vocational and theoretical secondary levels. This last point also shows how some of the overall ethos of the 1946 commission was present as well. The reforms to the primary school formed a constant backdrop to the changing educational landscape, and the report argued that the VET would have to relate to the unitary school's combination of fostering and teaching, along with the gradual equalization between practical and theoretical. And the consequences would be tangible: as the third objective above indicated, the commission pragmatically anticipated that students would increasingly want to seek ways to gain further

\textsuperscript{145} Nilsson 2013a, p. 27
\textsuperscript{146} SOU 1954:11, p. 10
\textsuperscript{147} Olofsson 1997, p. 18
\textsuperscript{148} Olofsson 2001, p. 78-80
competencies through the branches of the school system.\textsuperscript{149} Overall, it’s probably safe to say that much of Y:s approach took on such a tentative stance, often contenting itself to outline certain aspects of the system, as opposed to charting out a definitive course.

But Y also argued from another perspective, to a significant extent basing itself on the surveys and field-work conducted by AY, for another reason to expand school based education. It painted a picture of firms demanding higher levels of vocational training, regardless of the level of skill involved in the actual position. It was now increasingly accepted, the report argued, that a large group of workers - from the relatively autonomous craftsman to the more circumscribed shift-worker - needed "some" form of education. A consistent reference point for these discussions were the kind of high tech firms which were were adopting the type of production processes where some of the teaching was most appropriately carried out outside of the shop-floor, considering the risks involved in dealing with expensive equipment. Y:s report went as far as drawing a line between a former "craftsman-based" era, and the new, high tech, quickly rationalizing epoch. A modern VET, for these reasons as well, called for the capacity to train to be diffused wide-scale, something which, the report argued, could increasingly less be expected to fall on the shoulders of firms themselves, keeping the economic risks and pace of production in mind.\textsuperscript{150}

As Nilsson is at pains to emphasize, none of this meant that Y sought a complete replacement of the apprenticeship-based model of training with a school-model,\textsuperscript{151} and I would argue it rather attempted to piece together a still fragmented system and base it on a more solid foundation, with an eye towards possible futures. But one constant was clearly established in this context: the larger role to be played by school-based VET. And another was the increasing demands arising from the general education reforms - a factor which, as we’ll see below, came to gain even more prominence during the 60s.

\textsuperscript{149} SOU 1954:11, 11-20, 80, 297-314
\textsuperscript{150} SOU 1954:11 11-13, 50-54, 113-114, 186
\textsuperscript{151} Nilsson 2013a, p. 27. Nilsson 2013b, p. 104
4.2.4 The integrated high school of 1971

In 1966, a little more than a decade after Y presented its report, YB laid out a proposal which would effectively seal the deal for a predominately school based VET. The commission was closely tied to the social partners and AY. Then SAP school minister Ragnar Edenman remarked in his directive upon the short period of time that had passed since the last commission, but a number of recent developments called for the need to respecify the purpose, scope and organization of society’s provision of VET. Thus YB pointed towards a number of trends said to underlie this need, both in the area of general education as well as economically and demographically.

In the area of general education, the 60s had brought a series of events which in hindsight might appear as the natural progression towards the eventual outcome: the stage for an organizational centralization had been set when in 1963 the High School Commission sought efficiency gains by proposing an incorporation of the existing vocational schools under the secondary level, increasing the infrastructural expectations yet again, such as the sufficient supply of facilities of even quality. Alongside the vocational schools a new form had also been added in 1964: the two year “Fackskolan”. This was an intermediary form between vocational and theoretical schools which never became widespread, but which, Nilsson finds, was still able to compete with the vocational schools. The same year, as a further consolidation - and as if to emphasize the inevitability of state-bound governance - KÖY was unceremoniously disbanded and merged into a revived SÖ. Underneath were more startling developments at play than just the onset of comprehensive primary and secondary levels: recruitment to 9y had first of all fallen far short of its mark, Olofsson points out, with students favoring the academically preparatory

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152 As Lundahl shows, the channels of influence for the social partners were multiple: first of all, almost half (5 out of 12) YB’s officials represented labor or capital. Second, AY had gained agenda-setting powers through its influence over the mission directive. Third, AY and the partners were consistently represented among the 6 working groups that YB assigned (Lundahl 1997, p. 100).


154 SOU 1963:42


156 Nilsson 2013b, p. 141

157 Nilsson 2013a, p. 31
courses leading directly to the general secondary level (Gymnasiet). Thus he argues that this shortfall of demand led to the implicit acknowledgement that that preparatory VET now had to take place on the secondary level, once more broadening the tasks and responsibilities of the vocational schools.158

But such a role would face some hurdles, YB pointed out, since vocational schools often fell short of the ideals established in terms of what a preparatory, general vocational education was to offer - their administration and character were highly decentralized, fragmented, and often specialized towards specific vocations or local contexts, built as they were, on local initiatives and collaborations.159 On the other hand, the late 50’s expansion of vocational schools had tapped a latent demand which far surpassed what decision-makers had expected at the time.160 But as YB found, the impressive increase in recruitment was nevertheless not enough to offset the flow of students to other courses, accelerating in tandem with the expansion of general education.161 Still the problems ran deeper than meeting anticipated recruitment volumes: as researchers have pointed out, the unusually high growth inside Sweden's solidarist model, and accompanying waves of technological progress taking place in the leading export facing sectors intensified the constant threat of labor shortages.162

YB brought together all of these aspects - the looming secondary school expansion with its demands organizationally and curriculum-wise; the uneven flow towards academic subjects, and the related need to ensure a sufficiently mobile labor supply - as reasons to propose a VET which remained targeted towards a vocational area, and thus different from the strictly academic courses, but that would in itself mainly serve as a broad "preparation"; only progressively specializing, as opposed to a full education. Courses would now be consolidated into vocational "lines" that contained a stronger core of academic subjects, which would organizationally facilitate a quick expansion, and would in turn simplify the ability of students to move between

158 Olofsson 2001, p. 80-81
159 SOU 1966:3, 66, 121, 134. For more information regarding the highly local expansion of vocational education before 1960, see for instance Olofsson 2001, p. 105.
160 Nilsson 2013a, p. 28
161 SOU 1966:3, 19-21, 118
162 See for example Swenson 2003.
different educational tracks or even qualify for tertiary education. YB related the need to increase the permeability of educational pathways to an anticipated increase in the need for continuing education. And the organizational efficiencies built in to the new system would allow it to serve akin to a platform for a variety of delimited needs in the future. Finally, a more homogenized offering of academic and vocational subjects would ensure a stronger dose of general skills for all students, desirable based on the need for a overall more competent and mobile labor force.\textsuperscript{163}

The report was candid in noting that its decision to rely principally on two-year VET:s was a qualified guess based on current length of typical industrial school-based educations, while it acknowledged that this meant a shortening of some of the longer, more apprenticeship-like educations.\textsuperscript{164} As Olofsson notes, the component of work-based learning was generally greatly reduced to make room for the academic subjects.\textsuperscript{165} Nilsson notes as well in turn that the "lines" were principally new constructs that were not directly modeled upon then-existing courses in the vocational schools.\textsuperscript{166} And YB noted that the changes would place an increasing burden on the role of the firm-based training to pick up where the preparatory school left off. Here YB put its faith in the ability of the social partners to coordinate locally with firms to ensure a smooth transition.\textsuperscript{167} Olofsson argues that the reliance on “vocational departments” that would locally coordinate the workplace relevance of the new curricula in reality meant that ambitions were lowered - extensive collaborations existed in a few areas but far from covered the labor market at large.\textsuperscript{168}

\subsection*{4.2.5 VET reforms from the perspective of the social partners}

So far the road towards the integrated high school might have appeared to follow a rather simple internal logic of change; one integrative step inviting the next, albeit with some unanticipated

\begin{footnotesize}
\begin{itemize}
\item SOU 1966:3, ch 8, 142-147
\item SOU 1966:3, 146
\item Olofsson 2010, p. 70
\item Nilsson 2013a, p. 33
\item SOU:1966:3, 122
\item Olofsson 1997, p. 28-29. Olofsson 2010, p. 82. Vocational departments were effectively decentralized forums for partner representation, set up per industry (Ibid. p. 82).
\end{itemize}
\end{footnotesize}
developments along the way. Yet this story barely addresses any of the processes taking place amongst the social partners, underlying their reversal from proposing one model to enacting another. As the background and the previous section showed, LO and SAF were consistently involved in the project of reforming VET. The make-up of YB, to take an important example, was here no exception. But did this translate into a sameness of perspectives and actions? The section below draws primarily upon the research of Lundahl and Olofsson to trace the aforementioned process by looking more directly at the viewpoints of the partners themselves.

It's useful to start by observing that both SAF and LO on one level carried a fairly clear consensus around the larger role VET was supposed to play: SAF rather unsurprisingly tied the role of VET directly to the skill demands of firms. LO basically shared this 'employability' perspective, which for the labor movement was concretized at least as early as during the 1930s, with Möller's aforementioned expansion of vocational schools to stave off youth unemployment. The link between VET and employment was further articulated in the 1944 post-war labor market program, which made it clear that in light of the aforementioned problems of the early VET, society was now to take part of the responsibility for assuring its provision and quality. An appropriate VET system would provide skills at a level sufficient to protect against unemployment here and now, but also had to be flexible enough to endow individuals with the necessary mobility to transition to new lines of work, against the background of technological change. In other words, we can here see that VET was ultimately meant to serve a similar function as the one Rothstein attributes to "active labor market policies". Thus, I would argue, if the labor movement's outlook on general education displayed a rather idealistic class-antagonistic agenda, its view of VET as geared towards full employment was more tangible, but consequently more subdued, and "commodifying" in its reformist scope. At least on an initial basis, it seemed to lodge itself inside the labor-capital "compromise" along with its "security

169 Lundahl 1997, p. 248-249
170 Arbetarrörelsens efterkrigstidsprogram. De 27 punkterna med motivering 1944 p. 4, 26-27
171 Rothstein 1996, p. 56-57
172 See section 3.3.2 for a discussion on commodification and de-commodification.
through mobility" that supported the solidarist model. In fact, Lundahl is able to demonstrate a remarkable consistency among the actors on this point, as statements around VET by both SAF and LO time and again returned to the need for workers to become more adaptable in the face of a transforming technological landscape - an adaptability that meant a greater fostering of intellectual capabilities to pick up new techniques and contexts, as the commissions during the 30s had argued. In other words: on one level, the tendency of Y, and later YB, to argue for higher levels of general skills (upon which they had based their arguments for more school-based education) was clearly mirrored by a continuity in the views among capital and labor that can at least be traced back to the commissions of the 1930s.

At the same time, especially as the reform project of general education kicked into gear during the 50s, LO and SAF started displaying more or less subtle differences in their conception of the role of VET. These differences also demonstrate that where SAF started in a relatively antagonistic stance, it evolved over time towards consenting with the progress of developments. Starting with the definitive step taken by the 1946 school commission, Lundahl shows that whereas LO echoed SAP:s appraisal of the comprehensive school, SAF expressed reservations regarding the risk of depriving firms of usable labor, following the added ninth year. And SAF, at this time, overall preferred to stay outside of the discourse on general education, Lundahl argues. Yet neither the distance nor the antagonism lasted long, as Olofsson’s research shows, since at the time of Y:s report, both sides welcomed the decision to expand full time vocational schools, which included incorporating 9y as a starting point platform, in its overall package. And Lundahl's research shows that both partners had soon become involved in the future of both the primary and vocational schools, as AY for one became charged with task of providing resources for 9y supervisors, and later became directly involved with the 1957 School

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173 See section 3.3.2.
174 Lundahl 1997, p. 68, 248-249
175 See section 4.1.2
176 Lundahl 1997, p. 79
177 Olofsson 1997, p. 18
Commission. With the subsequent failure of 9y, the School Commission proposed new alternatives for the ninth year to which the partners would offer their feedback, which was at this point largely critical. LO had by now all but given up on the idea of the differentiating ninth year. It questioned both the quality such a step could realistically provide, as well as the idea that it amounted to a sufficient platform to allow some students to directly enter the labor market. Instead it echoed the labor movement's larger ethos of fairness and democracy that was tied to the general education project, by strongly arguing for prioritizing the ability of students to move on to higher educational levels. SAF was more guarded and did not display the same eagerness to abandon the current stage of differentiation, but was yet again not static in its position. It's useful here to remember that none of the commissions had fully fleshed out how 9y was supposed to work, and Lundahl shows that as SAF became involved in salvaging 9y's failure its position would further evolve towards joining LO in critiquing the very viability of differentiation during the ninth year, albeit from a slightly different angle. Ultimately the initial divergences between the social partners remained visible: as the 60s brought on vastly increased demand for secondary education, LO used the momentum of an expanding high school to further emphasize the overall desirability expanding access and pathways to further education, as a matter of social justice. SAF remained notably muted in its appraisal of the reforms, and devoted more energy to suggesting ways to improve the industry relevance of the newly created "fackskolan". In sum, the process that emerged was one of persistent differences in emphasis which at the same time saw SAF weakening its reservations towards the gradually decreased differentiation. Olofsson shows, in turn, that similar 'evolutions' had taken inside the forum of AY: SAF had for instance during the 40s been steadfast in its opposition to state financing of industrial schools due to fears of counter-demands for insight and control. Yet following the

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179 Ibid, p. 82-84

180 Ibid, p. 83-84

181 Ibid, p. 86-87
decision to greatly expand school-based education, SAF now considered the benefits of financial support outweighing the harms, as needs for coordination were set to increase.¹⁸²

When finally looking closer at the 60s and its quick succession of education reforms, the SAP-LO-SAF tripartite collaboration seemed to become less robust, and the fault lines between the main actors seemed to have become even more complex and multi-facetted: while we saw that the future of VET had to a large extent been placed in the hands of the social partners, Olofsson shows that some voices within SAP had begun harboring misgivings about their role in this process. As early as in 1955, SAP had launched an investigation to examine the governance of VET (in fact including members from AY), which argued that it was only the state that could fully oversee and ensure the quality of VET, and in turn argued for the benefits of incorporating all secondary educations under one authority, not least in order to raise the status of vocational educations. Here the partners were not negatively disposed towards the state’s ambitions regarding efficiency gains, but did not concede a diminished role for the corporatist partnership. Thus when the secretary of KÖY in 1963 wrote a PM on the “dangerous influence” of social partners over vocational education, the pushback from both LO and SAF:s representatives was swift. And the partners equally protested when the subsequent merger with SÖ also decreased some of their prominence.¹⁸³

And if SAP began appearing less eager to maintain the corporatist arrangements, the fault lines of the LO-SAF partnership seemed to become even more elusive and fluid. An important case from the research appears during one of the ‘moments of truth’, while AY was working out the details of YB:s proposal: when the head and secretary of YB presented the commission’s work-in-progress to AY in 1965, the internal discussions had a difficult time finding solid ground, as they revolved around the difficult task of how to raise the attractiveness of VET while not diluting its relevance.¹⁸⁴ Researchers tend to present slightly different accounts of these discussions, with Olofsson perhaps being clearest in arguing that LO at this point had solidified

¹⁸² Olofsson 1997, p. 14-15
¹⁸³ Ibid, p. 23-24. Influence was lost both in terms of the ability to nominate candidates as well as in terms of numbers of representatives in the new organization (Ibid, p. 24).
¹⁸⁴ Lundahl 1997, p. 101
its stance in favor of a strictly preparatory, comprehensive VET, and that this position simply reflected its closure regarding the role of education as a tool to further democracy and individual autonomy.\(^{185}\) I would however argue that some of Lundahl's observations make this notion of strongly ideological standpoints less convincing: as she first notes, while LO demonstrated a more optimistic tone towards the current path, opinions were divided internally within both sides. LO heavyweight Tore Karlsson gave a somewhat resigned statement that VET needed ultimately to follow the choices of youth, and that youth "apparently" were prioritizing theoretical subjects. Karlsson's counterpart, Mats Bergom Larsson from SAF, considered the question of balance exceedingly difficult. These debates overall did not seem to reflect a strong enthusiasm from either side. It was rather after the discussions, in subsequent but separate statements, that opinions more definitively diverged: LO was now notably upbeat and praised how the new integrated VET represented another milestone in the ongoing democratization of education, while calling for similar progress in the area of adult education. SAF, for its part, remained basically positive, but at the same time resigned and more cautious in its acceptance of the benefits provided by prospectively raising the status of VET in this fashion; it argued for one, Lundahl highlights, that the current system was largely able to provide firms with the kind of skills needed, and did not envision a need for greater overhauls. It found, ultimately, that the lack of differentiation had been taken too far.\(^{186}\) Other employer organizations, like representatives from the engineering industries (see below), were even more overtly critical, arguing that the predominance of theoretical contents diluted the purpose of educating for a more clearly delimited vocation.\(^{187}\) In sum, to me this process indicates that it's not warranted to view the integrated VET as simply a product of the labor movement's ideological vision, but rather an intermixture of several elements, both ideological and practical in nature.

\(^{185}\) Olofsson 1997, p. 24-26, 30

\(^{186}\) Lundahl 1997. p. 101-103

\(^{187}\) Olofsson 2010, p. 74
4.2.6 The special role played by large firms

But to fully understand the confluence of factors taking place, especially during the 1960s, one must also turn to consider another group of actors: the large firms, and especially the role played by the association representing the engineering industries (Verkstadsföreningen, VF) whose actions did have direct consequences for the development of VET. Researchers have frequently returned to the special role played by oligopolies in the Swedish industrial relations context. Studies by Petterson, Swenson or Huber & Stephens, for example, single out how the large export facing firms took center stage as wage leaders in the solidarist models. The influence of these firms did not follow a simplistic 'size reigns' logic - even Swenson, who lets the leaders inside VF play a key part in his narrative is at pains to demonstrate the negotiations that had to take place between both capital and labor, as well as within each faction. But there is significant consensus that VF was a formidable actor in its own right, for instance coordinating some of the most historical lock-outs during the early twentieth century. Influence was both formal and informal, as some historians have pointed towards the role played by the "Director's Club" which consisted of Sweden's five largest engineering firms. During this period, Mats Bergom Larsson, who represented the employer-side in most commissions around the area of VET, both held key positions in VF as well as in AY. Considering the key role played by large firms, it shouldn't come as a surprise that they played some part in the designs of VET. Lundahl's work on the corporatist deliberations shows that AY engaged in extensive collaboration with VF:s educational staff, in other words granting VF access to another immediate channel of influence, outside of the persistent ties between the two organizations. But in fact, the channels were multiple: in her analysis of the type of pedagogic material created in AY and eventually

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188 See for example Huber & Stephens 2001, ch 5. Petterson 2013. Swenson 2002, ch 4. One can for instance add that the 1967 "Concentration Commission" found that Sweden’s industrial profile in 1963 was dominated by a small number of large firms (SOU 1968:5).

189 Swenson 2002, loc. 4040-4211


192 Larsson was executive director at VF between 1951-73 (Swenson 2002, loc. 4409-4417) and was also head of AY from 1950-72 (Olofsson 1997, p. 12).

193 Ibid, p. 216
used at the various vocational schools - even in the lines at the integrated school - Lundahl finds these centered around a set of techniques oriented towards breaking up the learning process into its smallest elements, with clear affinities to MTM conveyer-belt-derived principles.\textsuperscript{194} Lundh shows that engineering firms had pioneered Tayolorist techniques in the Swedish context during the 1920s,\textsuperscript{195} and the training materials were the result of learning experiences from AY:s visits at various industrial facilities during the mid- to late 1940s, where these techniques were implemented. Another key insight AY had gained in their research, Lundahl finds, was also that the methods practiced in Swedish firms entailed a need for "some" vocational education broadly, regardless of the level of skill involved in the actual position,\textsuperscript{196} which was also, as we saw, similar to what the 1952 Y Commission had found. In fact, Y:s report even opened one of its chapters by stating that a natural starting point for analyzing VET was the industrial and crafts sectors, based on their technological leadership.\textsuperscript{197} As Lundh shows, the widespread diffusion and full use of such "Fordist" techniques picked up among the large firms during the post-war era, as a series of innovations allowed for expansions based on economies of scale. This was a direction facilitated by, and further encouraging increasing scale of production.\textsuperscript{198} Thus the predominance of these methods only grew in importance as the years went on.

In short, we have already seen that both Y, and later YB invoked the image of a high-tech, quickly rationalizing production regime as a reason to argue for more VET overall per worker. And this coincided with the partners' view of what drove the Swedish growth model. But it's important to note that the underneath these statements lay a practical reality of economic weight and power relations, where large firms, likely with VF at the helm, were the flag-bearers of the Swedish Fordist model. If we accept the central role of large industrial firms, this puts the sense of urgency among LO and SAF when faced with a possible labor shortage among industrial

\begin{itemize}
  \item \textsuperscript{194} Ibid, p. 212-216
  \item \textsuperscript{195} Lundh 2002, p. 151
  \item \textsuperscript{196} Lundahl 1997, p. 212
  \item \textsuperscript{197} SOU 1954:11, 11
  \item \textsuperscript{198} Lundh 2002, 154-155
\end{itemize}
firms into perspective, as this was a potential blow to the entire growth model. And as we saw, when the record growth years of the 50's and 60's entered, this is exactly what happened.

And the research furthermore shows that industrial employers were particularly vulnerable to the misfortunes of the vocational education system. In 1964, Lundahl finds that these employers raised alarm about the dramatic decline in recruitment to the industrial courses.199 YB similarly observed a significant amount of aborted industrial educations and attributed it to fortitious labor market conditions.200 Nilsson here argues that one underlying problem had been that the tight labor markets simply raised opportunity costs of committing to longer VET, especially firm-specific apprenticeships; an effect further enhanced by the lower and more homogenous skill requirements characteristic of the Fordist regime.201 Lundahl further notes that, towards the end of the 60s, even as most educations at the expanding vocational schools were unable to accommodate all of their applicants, the engineering courses remained unable to fill their seats.202 And the flow towards academic subjects was, again, more hindrance than help in the short run: the strong rise in demand for general education that the golden years had brought, following the increasing standards of living,203 showed a long term promise in the minds of employers, but exacerbated the problems of labor shortages.204 And as a further indication of the actors' sense of gravity about the developments, AY had even started going so far as to attempt to court female students into the industrial professions. This was not an easy task, as Shånberg shows. Even though female attendance at vocational schools was on the rise, the educational choices still strongly mirrored gender roles, and the partners' efforts were largely unsuccessful.205

199 Lundahl 1997, p. 86
200 SOU 1966:3, 77
202 Lundahl 1997, p. 164
203 Olofsson 2010, p. 64
204 Lundahl 1997, p. 86
205 Schånberg 2000, p. 78-80, 88-89, 97-98
Thus the problem of ensuring a sufficient supply of labor was a serious matter for all actors involved, but one can also make the argument that SAF was particularly harmed, as demonstrated not least by its pre-occupation with these issues.\textsuperscript{206} In a sense, one might thus further argue that the reliance on large firms came with a downside in the form of particular vulnerabilities due to the outsized importance of a relatively small number of industries, not to say actors.

4.2.7 In sum: a model takes form

*Figure 1: external trends, key decisions and actor perspectives 1946-71*

The above figure presents a summary of the historical developments just described. External trends are illustrated as rough approximations based on the narrative. The text so far has attempted to show that the reform of Sweden's VET, over the period of 1946-1971, increasingly took form inside, and in relation to a large expansion of public comprehensive education; starting with the invention of a "preparatory" stage in the form of 9y, and ending up in a school-based VET that in itself was generally preparatory in nature. To this extent, it seems fair to argue that a process of "co-option" took place, akin to the concept of

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\textsuperscript{206} Lundahl 1997, p. 86, 102
"layering" where the differential growth of general education reforms provided an overall context that changed the "status and structure" of VET.207 Taking the perspective of the social partners confirms the salience of these reforms, but at the same time neither reveals them as passively 'mirroring' the internal logic of the general education project, nor as demonstrating a static consensus over time. YB and the partners ultimately chose a path that leaned on the benefits of resource coordination that the larger structure offered, to meet the need for expanded access to VET, but the decision was not easily reached. The tentativeness did not seem to represent direct clashes between highly committed ideological agendas from either side, at least not among the social partners.

Furthermore, in my view the process of layering represented not just a one-sided engulfment of one model into another, but rather a 'cross-fertilization' between the areas of general and vocational education. I'm not arguing the influence was symmetric: the timing of reforms, along with the change in educational contents strongly show that VET mainly gained features similar to general education - as opposed to the other way around. It's difficult to argue with Olofsson's characterization that the work of the partners increasingly took place inside the framework of general school reforms.208 And we also noted that as early as in the middle of the 50s there were voices within SAP calling for a more complete responsibility to be taken by the state. Still, by virtue of involving the social partners in educational reform, and not least by taking the first step to introduce vocational education during the ninth year in 1946, the project of general education had to relate to the conditions governing VET, and its governing actors, on a basic level. Furthermore, the urgency of shortages to the vocational courses was something potentially threatening to everyone involved, which is especially clear when taking a firm-based perspective. If viewing education as an arena for welfare policies, it was at this point hardly possible for an actor like SAP to blindly pursue a loftier class-disruptive agenda at the expense of the central aims of full employment. One might argue that in this sense the general education project was made more tangible and concrete in its anticipated effects, since the implementation was at least in part worked out at the hands of the social partners. One can perhaps best see this

207 See section 3.1.2 for a definition of “layering”.

208 Olofsson 2001, p. 78, 95
‘blending’ by looking at where LO ended up: following Lundahl’s analysis, the overall expansion of education was not only a matter of fairness and justice, but also of efficiency, as sufficiently late differentiation (which was one of the main reform principles underlying general education) would make workers more mobile.\textsuperscript{209} We'll return in the analysis to the question of how this layering and cross-fertilization might relate to the power resources at play.

As Figure 1 tries to summarize as well, the later critical turning points of these developments took place during a conjuncture involving a number of trends, and provides a useful contrast to the larger changes taking place during the second period under consideration. One can generally note that the educational reforms took place during what has been considered the "height" of corporatism, coinciding with the "golden years" of record pace growth, reaching its peak around 1965.\textsuperscript{210} Perhaps most importantly this figure illustrates the sheer amount of decisions made and factors coming into play during the 60s. Another variable which was only briefly mentioned was the associated increase in demand for all forms of education - a factor often demonstrated as co-varying with rising prosperity, as individuals were more willing to consume education for longer periods of time.\textsuperscript{211} Pushing demand in the same direction were the demographics of increasing female educational participation as well as the larger post-war cohorts.\textsuperscript{212} The rising prosperity and low unemployment rate inside a Fordist production model would come to have particular effects on the demand for an expanded VET: we for instance noted that the labor shortages created acute moments of alarm, especially among industrial employers, along with a related concern regarding the flows towards academic educations. The analysis will later examine these developments through larger theoretical categories to propose explanations for how they contributed towards the creation of the integrated high school.

\begin{footnotesize}
\begin{enumerate}
\item Lundahl 1997, p. 107-109
\item Eklund 2001, p. 375
\item Olofsson 2010, p. 64
\item Ibid, p. 63-64
\end{enumerate}
\end{footnotesize}
4.3 Period 2: continuities and challenges to a new model of VET, 1971-91

4.3.1 The 1970s and 80s: the Swedish model under challenge

This section will present a more cursory overview of how the system of VET developed in subsequent decades, up until the next large scale reform in 1991. As mentioned in 2.3, the tracing will not be able to look as closely at the viewpoints of the main actors, but will mainly focus on the question of change and continuity in the system itself. But first we'll look briefly at how the "height of corporatism" came to transition into a period of decline during a fairly short amount of time, forming an essential backdrop for the entire sub-period.

The "golden years" were not to last, as a series of international crises and transformations hit the Swedish economy during the 70s and 80s. As the collapse of Bretton Woods and the ensuing oil crises set the stage for an extended period of "stagflation", the Swedish regime "fumbled" as some historians have argued, by introducing a shifting array of measures fighting to maintain full employment.213 Some, like the repeated use of devaluations along with deregulations, eventually led to the inflation of a housing and financial bubble during the 80s, with dire consequences, in Eklund's narrative.214 Other measures came to reinforce additional problematic trends in the political economy: most notably, visible cracks appeared in the homogeneity and centralization of the corporatist agreements. In part this was fueled by the large scale expansion of public sector employment that had started in the 60s in response to demographic pressures, which now intensified during the dire times of the 70s. But this in turn made the industrial relations regime more fragmented.215

There were also deeper trends at play in the production regime, as the "Third Industrial Revolution", with its innovations in areas like micro-processing and bio-chemicals hit production lines during the 70s.216 At the same time, international competition intensified through the rise of Newly Industrialized Economies.217 This represented a much more fundamental structural cause

214 Eklund 2001, p. 413-419
215 Lundh 2002, p. 228-231, 249
216 See Chandler 1997
217 Lundh 2002, p. 224
to the long term decline in the rate of growth, as productivity decreased among the exporting firms. As Lundh argues, the transformations to the industrial landscape brought about by this "post-fordism" (or "Toyotaism") had direct effects on labor markets, as the new strategies pursued by firms made some skill-sets outdated, while an even greater emphasis was placed on the flexibilities provided by higher general skills. It also worked to largely dissolve the sharp demarcations between services and manufacturing, while rationalizations through vastly more efficient automation decreased the reliance on manpower in the traditional realms of industrial production. Lundh proposes a three-part model to characterize the new sectoral segmentalization that started taking form in labor markets through post-fordism: the first sector consisted of cutting-edge private sector industrial firms providing outsized value-added services and relying on a small group of employees with an exclusive skill set of general and specific kind. The second sector consisted of traditional (private) industrial services and goods, relying on ‘lower’ levels of skills overall while facing declining employment rates through rationalization. Finally, the third sector consisted of the public sector services which had emerged strongly (as mentioned) but eventually faced significant pressures for retrenchment, showing a particular sensitivity to political and business-cycle trends. Overall, firms in the first two sectors now sought increasing wage flexibility, which in turn strained the centralized industrial relations.218

As Huber & Stephens argue, as the 70s passed into the 80s, VF eventually came to the conclusion that the solidarist model was not in its interest, leading to the path-breaking deal with the metal workers’ union in 1983, which side-stepped the central bargaining institutions.219

Other sources of strains to the solidarist model were also present and contributed to VF:s choice: Lundh argues that as the negotiable excess profits shrunk with declining productivity, distributing the bargaining pie became fraught with rivalries, which in turn served to bring back wage drift as a re-occurring problem. Add to this the fragmentization brought about by the rising prominence of service and public sector unions, and the situation was soon such that the social partners faced significant difficulties in corralling their members. But maybe even more

218 Ibid, p. 245-248. In fact, Lundh proposes five sectors, where the latter two consisted of (4) low-cost/low-productivity service employment, and (5) sporadic labor, often moving back and forth between unemployment and sector 4 (Ibid 247).

219 Huber & Stephens 2001, loc. 3578-3583
problematically, parts of the labor movement had become increasingly radicalized during the 70s. Now, in response to calls for, among other things, more work-place democratization and control, LO turned to SAP to put into law employee-protection measures, like “Lagen Om Anställningsskydd” (LAS). particularly divisive became the "wage-earner funds" that sought to redistribute a share of the firm's profit margins. All of this represented a quick departure from the Swedish model of corporatist self-management, which in turn served to radicalize SAF and the Conservatives, who launched a counter-offensive, thus making the goal of peaceful consensual bargaining even more difficult to achieve.

Finally, as Huber & Stephens show, the right-wing counter-offensive soon yielded successes, as SAP in 1976 lost its first election since its reign of power had started in the 1930s. Underlying SAP:s defeat, as the party leaders saw it, was a general discontent with the public sector's distance and lack of responsiveness towards its service recipients. Thus during the 80s a new generation of more liberally minded SAP leaders sought to decentralize and de-regulate the public sector, handing the Conservatives a principally important victory, as Huber & Stephens put it. As we'll see below, this power-reversal had important consequences to the reforms taking place in the areas of education and VET.

4.3.2 Complementary education and VET during the 70s and 80s

The infected climate between the partners did not escape the area of education, and Lundahl shows that SAF geared up for an offensive towards the labor movement's school reform projects. But there were several indications that the basic school-based model of VET, as well as the main features of general education, were "set" from this point. First of all, As Olofsson puts it, there was now a re-orientation towards figuring out how to optimize the administration of

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221 Lundh 2002, p. 254
222 Lundahl 1997, P. 114-115
223 Huber & Stephens 2001, loc. 3430-3542
224 Lundahl 1997, p. 120-121. SAF echoed the Conservatives in attacking what they argued was an increasing radicalization of the social democratic education system, which they argued reflected the expensive overreaches and hostility towards entrepreneurialism that the labor movement was said to represent (Ibid, p. 120-121).
the new school. The 1976 High School Commission thus mainly viewed its mission to suggest how to incorporate such features as student democracy; along with other concerns for the internal organization of the school. Equally, the Conservative government’s re-introduction of apprenticeship trials to tackle the re-appearance of youth unemployment, that the dire times had brought, were too marginal to really have an effect, Lundahl shows. Both of the partners, revealingly, had difficulties grappling with what kind of role apprenticeships would serve at this point. LO was now openly antagonistic, Lundahl finds, arguing that such measures threatened the "system" itself, leaving vulnerable youths to the whims of possibly exploitative employers. SAF lamented the dire state of such firm-based training but ultimately found this form of VET too anachronistic. In other words, the pace of reforms to both general education and VET slowed down dramatically from the start of the 70s, and the main actors were not able to easily view a reversal back to an older model as relevant to counter the problems at hand.

More prominent were the reforms and expansions of the coming two decades in the complementary areas of adult continuing education. The topic of continuing education lies somewhat outside of this study’s scope, but it provides an illustrative example as contrast to the school-based VET. As Richarsson argues, there was now a need to not least provide older generations with an updated knowledge-base since the introduction of the comprehensive school. But continuing education became another contentious topic among the partners, Lundahl finds, as LO sought to give the reforms some rather de-commodifying characteristics, allowing for employer-funded time away from work to catch up academically. When SAF pushed back with a counterproposal that narrowed the provision of such education to firm-specific VET, LO turned to SAP to pass legislation. But with the Conservative regime change in

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225 Olofsson 2010, p. 83-84

226 SOU 1981:96, 19-27. To be fair, this is a simplification, as the commission also considered such aspects as the skewed gender-based recruitment patterns. But as Olofsson shows, its moves towards any more far-reaching changes were largely rejected by decision-makers during the early 80s (Olofsson 2010, p. 83-85).

227 Lundahl 1997, p. 174-176

228 See section 3.1.1

'76, some of the more generous properties were soon rolled back, Lundahl shows.\textsuperscript{230} Thus these volatile back-and-forth changes contrasted markedly with the stability displayed by the larger education system.

But if the integrated high school was basically "set", this incrementalism clearly did not stem from a widespread satisfaction with the integrated system on behalf of the social partners. In fact, even the original project of general education reform was soon widely perceived as missing many of its underlying aims. Especially the class-subversive ambition of the labor movement was thwarted, Rothstein argues, as the recruitment of students with working class backgrounds to higher education fell during the 60's and 70's. The completion rate at the primary school equally saw falling numbers, striking at the entire concept of comprehensiveness.\textsuperscript{231}

Rothstein further illustrates that SAP:s tone following the reforms was noticeably more sombre and cautious in contrast to their previously self-confident ambitions.\textsuperscript{232} Lundahl shows that both LO and SAF attacked a "detachment" that they argued the system displayed in relation to larger society - SAF attacked what they saw as an increasing distance between school and work, which was said to have lowered skills and corroded the attitudes of students. LO:s attitude was more ambiguous, as it confidently interpreted the recently passed reforms as an affirmation of the labor movement's powers to promote change.\textsuperscript{233} In fact, as the later ÖGY Commission of 1986 demonstrated, the flow of students to the vocational lines had started surpassing those towards the academic ones during the 70s (thus, as we recall, at least realizing one of the goals the partners had set during the late 60s).\textsuperscript{234} But partly as a consequence of heightened expectations, LO expressed a sweeping disappointment with the integrated school's inability to transcend the academic/practical divide that cemented current class distinctions, and it joined SAF in disappointment with the new model's distance toward working life.\textsuperscript{235}

\begin{thebibliography}{9}
\bibitem{230} Lundahl 1997, p. 150-159
\bibitem{231} Rothstein 1996, p. 72-73
\bibitem{232} Ibid, p. 73-74
\bibitem{233} Lundahl 1997, p. 124-125, 130-135
\bibitem{234} SOU 1986:2, 45
\bibitem{235} Lundahl 1997, p. 130-131
\end{thebibliography}
In short, Lundahl shows that the partners found themselves dissatisfied: for one, they shared the diagnosis that the current education system had become too detached, and that in order to tackle problems like the surge in youth unemployment more had to be done to address the school-work transition. But they were now forced to work under more restrictive circumstances, further apart than ever, while not able to inspire more than incremental changes by the political parties during the 70s and early 80s. The infected labor-capital climate had also made the continuation of AY more difficult, Lundahl finds. But the will to collaborate around VET in this forum remained and survived the worst of the trials, allowing for a rejuvenation during the late 70s, she finds, albeit in a more down-scaled form. Noting that the high school commission had largely ignored the area of VET in its report, the partners courted SAP education minister Lena Hjelm-Wallén for initiatives in this area, which resulted in the 1984 ÖGY commission.\footnote{Lundahl 1997, p. 164-166, 170. SOU 1986:2, SOU 1986:3 Despite a collaboration between the commission and AY, the old days of prominent involvement of the social partners were now seemingly gone, Olofsson shows, as the composition of ÖGY consisted of representatives from the ministries and school bureaucracy (Olofsson 2010, p. 86). This study has largely ignored the rising importance of service-labor associations like TCO, and the 'trials of AY' demonstrate why this may ultimately be warranted: Lundahl shows that AY during the middle of the 70s discussed the question of expanding their collaboration to include more labor market organizations. The decision was however to remain focused on the LO-SAF dualism that had reigned so far. (Lundahl 1997, p. 168).}

Regarding the problems of VET, one should here note another salient and familiar issue among the partners during the 70s and 80s: the continuation of poor recruitment to the traditional engineering lines (“verkstadslinjen”). VF had been expressing increasing concern that its recruitment basis was still hollowing out, not just following the generally unregulated/uncoordinated transition between school-work that the new model had brought, but also due to that many students who started the engineering lines ended up dropping out or finishing at another location in the education system. Lundahl thus finds yet another troublesome period for the industrial firms. The partners had during the early 70s made some headway by introducing a new option for VET at the tertiary level, for qualified labor ("Yrkestekniska högskolor", YTH), which required a number of years in terms of background experience, Lundahl shows.\footnote{Ibid, 164, 170. SOU 1973:12. The original idea was in fact proposed by YB in a separate report, highlighting the need for continuing education for those already employed (SOU 1970:8).} But in other words, such measures were not enough to offset these persistent issues.
ÖGY confirmed the view of the partners by arguing that the preparatory courses had left a hole in terms of the responsibilities for completing VET. It highlighted the recent industrial transformations and akin to Lundh's characterization argued for the need to increase general skills overall (which the current system was seen as providing a better basis for than the one preceding it). But the commission also wanted to allow for a greater portion of vocationally specific skills. For this reason it proposed an added third year that would allow for a significant increase in the share of work-based learning (to as much as 60% of the third year). To incentivize employers to participate it further proposed a risk-sharing funding arrangement to compensate firms lacking in resources. The report also did find an interesting deviant case: it found that “care services” (Vårdlinjen), a line that had swallowed a substantial share of the new attendees during the 70s, was pretty much the only vocational line that had seen a subsequent continuation of studies at higher levels. Thus the public sector was potentially able to provide an entire package of finished education, for such professions. The attractiveness of these educations had predictably risen with the strong expansion in public services, the commission found.

As Lundahl finds, the partners were basically in agreement with the report's proposal, while differences in emphasis existed. Somewhat characteristically LO wished for the inclusion of more academic content, while SAF gave greater priority to the firm-based training component. But once again it seemed, Lundahl shows, AY had regained its consensus and momentum to enact real change.

4.3.3 The three year high school of 1991 and its aftermath

But shortly after ÖGY:s proposal, in 1988, SAP education minister Lennart Bodström issued a proposition that was said to base itself largely on the previous report but which, Olofsson finds, contained some crucial differences: for one the role of work-based learning was significantly downplayed, at the expense of a re-affirmation of the need to further join vocational and academic tracks, with an aim for providing universal access to higher education - a goal ÖGY

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239 SOU 1986:2, 48-51, 178-179
240 Lundahl 1997, p. 178-179
had not established. The differences gained clearer form, and additional dimensions, as the new SAP education minister Göran Persson presented “Växa med kunskaper” in 1991. The proposition's scope concerned the high school system itself, which was further consolidated into 16 national “programs”. The proposition argued that in light of the vast structural transformations taking place during the last decades, the required level of general skills was now such that an across-the-board increase in academic base subjects was warranted - suggesting an increase to up to 40% of the entire education. This would in turn guarantee access to tertiary education, and here the proposition bemoaned the current system's skewed recruitment along class lines. Regarding the lines drawn between vocational and general education, the proposition, and not least Persson's subsequent defense strongly argued that the new era was likely to make such distinctions increasingly outdated, Olofsson shows. The ingredient of work-based learning (now called "arbetsplatsförlagd utbildning", or APU) was thus much smaller than what ÖGY had proposed. Here the risk-sharing funds were also traded for across-the-board tax cuts. But an entirely new ingredient also found its way into the proposition, where the previously rather stringent governance of municipal resources and curricula was to be replaced by a more indirect level of control, with the state guaranteeing a minimum level of quality, and equally, guaranteeing all students the right to attend secondary education, while the municipalities were given a lump sum with greater freedom to dispose of. The demands of local education consumers was now to be the guiding principle. This, as opposed to centralized direction based on such concerns as labor market circumstances. The immediate context for this direction towards indirect control was a quick and significant series of decentralizing decisions spearheaded by Persson at the end of the 80s. Persson had gone further than the

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242 Prop 1990/91:85, 42-45, 48-59, 94-99, 164. Olofsson 2010, p. 96-99. The proposition in part based itself on ÖGY:s reports, but also on Prop 1990/91:18, which had suggested changes to the governing and funding of the school system (see below).

243 Olofsson 2010, p. 96-97, 101, 105-106. The time for APU would amount to 45% of a year, in contrast to ÖGY:s range of 80-100%. Olofsson also notes that the funding path chosen created difficulties in actually achieving APU collaborations at the local level (Olofsson 2010, p.105). See also Nilsson 1998 for another discussion regarding the troubles of coordinating APU.

moderately critical "Styrningskommissionen" (the ‘Control Commission’) and introduced legislation that made teachers municipal employees, along with other delegations of authority to the local level. These moves in other words harken back to Huber & Stephen's arguments about the lost faith in the comprehensive and activist state, and Persson was able to find rather consistent consensus across both isles for these proposals, as voices from the right had been on the offensive against the public sector's size and centralization, while the left appreciated the increase in local influence, Olofsson finds. The parliamentary debates following the '91 proposition did notably show fairly harsh criticism from the Conservatives, but not in a way that really engaged the proposals of ÖGY. Instead, as Lundahl argues, the critique followed a fairly typical framing of opposing SAP:s seeming overreach in terms of making VET and academic educations more alike (thus diluting the contents of both). Olofsson notes that only one speaker (from the Conservatives) brought up the question of youth unemployment - a contrast to the concerns shared by the social partners a few years earlier. In fact, Olofsson finds that employers took an antagonistic stance towards the increase in theoretical subjects at the expense of vocational relevance and work-based training. LO, however, now wanted to go even further than SAP in expanding the general subjects.

In other words, these changes to the secondary education system re-affirmed (and arguably even increased) its preparatory character while creating a more ambiguous basis in terms of the comprehensiveness that had underlined the previous era's reforms.

The decentralizations also paved the way for the subsequent conservative government to introduce private schools (a direction that Olofsson argues, in his view, was again partially spearheaded by SAP), which in a few years brought on new forms that might have been found

245 SOU 1988:20

246 Olofsson 2010, p. 115-119. See for example Prop 1989/90:41. See also Richardsson’s summary which reveals decentralization as a process underway since the 1970s, correlating with the increasing criticism towards centralized governance (Richardsson, 2010, p. 159-165).

247 Olofsson 2010, p. 123-124

248 Lundahl 2008, p. 37

249 Olofsson 2010, p. 101-103

250 Ibid, 126-127. The key proposition by the Conservatives was Prop 1991/92:95.
in the old regime, mixing apprenticeships with industrial schools. As Nilsson shows, some were clearly the extension of leading producers, such as Volvo, while others made use of local monopolies to provide a mix of general and specific skills. Others were more immediate extensions of the school-based format, as in the technical colleges organized by regionally dominant companies. The situation even allowed for some notably segmentalist strategies whereupon firm-based schools sought to rely on their exclusive reputation to foster loyalty - in other words, clearly these new forms were filling a space. Lundh-Nilsson & Nilsson also emphasize the long term trend of declining youth demand for industrial school-based educations, which stand in marked contrast to the interest in these company-based educations, with students themselves often emphasizing the intimate work life proximity (and in many cases, added perks in terms of experiences in working abroad). Nilsson furthermore shows that while these initiatives remained locally bound and modest throughout the 90s, they were often created to serve an elite. Olofsson follows this line of thought by observing that the rising fragmentation among municipalities has been accompanied by a greater differentiation in quality. An expansion of "Kvalificerade Yrkesutbildningar" (KY, “Qualified Vocational Educations”) on the tertiary level - given similar purposes as the aforementioned YTH educations and only in the starting phases during this study’s periodization - reflected another trend of increasing attendance to tertiary levels. This has raised, as Olofsson shows, not just discussions around the possibilities of "overqualification", but also made a third trend particularly acute, as the increase in academic subjects in the new vocational programs led to higher drop-out rates, which in light of a generally higher level of education (approaching 100% of attending secondary school during the 90s) meant that youth failing inside the new system

251 See section 3.3.4 for a definition of “segmentalism”.

252 Nilsson 1998, p. 7-14. For more examples and rationales underlying these initiatives, see Pettersson 2000.


256 Johansson et al 2000
faced an even tougher future than before.\textsuperscript{257} The problem of youth unemployment has been singled out by researchers like Olofsson, as a related problem. As Håkansson points out, while the crisis years of the 90s brought higher unemployment for youths, this can not be put solely on the shoulders of the new VET, as the levels of unemployment for older cohorts rose even faster.\textsuperscript{258} But Olofsson also shows that the elevated levels among youth, and especially among drop-outs tended to persist as the crisis waned, with other measures of relative social and economic depravity indicating a harshening situation for these groups. Overall he presents a rather mixed picture of the aftermath of the new program-based high schools: on the one hand, students completing the new vocational programs were clearly overrepresented among youth (20-24 years) who had gained a stable foothold in labor markets, faring well income-wise. But just as regarding the ’71 reforms, the changes did not show any dissolution of the persistent class-distinctions between academic and vocational courses - or the recruitment to tertiary education - while exacerbating the problem of incomplete educations.\textsuperscript{259}

Taken together, it's not too difficult to see that the sum of these developments represented a departure from the spirit of comprehensiveness in terms of the provision of VET - opportunities for individuals to gain an edge in the labor market clearly increased, but at the cost of a higher differentiation, both in terms of the contents of training but also in the relationship between average and elite students.

\textsuperscript{257} Olofsson 2010, p. 140, 149-167, 192

\textsuperscript{258} Håkansson 2011, p. 28

\textsuperscript{259} Olofsson 2010, p. 152-167
4.3.3 In sum: a continuation of the model?

Figure 2: external trends, key decisions and actor perspectives 1971-91

The above figure presents a summary of the historical developments just described. External trends are illustrated as rough approximations based on the narrative. Even this rather condensed narrative has hopefully demonstrated that Sweden's school-based VET did display a number of changes though the period. The basic parameters of the model seemed to have been largely "set" by the start of the 70's. Even as incremental changes were added to tackle the sudden re-appearance of youth unemployment, the partners could not envision a change of course back towards a previous model. But underneath the stability there was growing dissatisfaction with what was seen as an increasing disconnect between school and society (including working life). The concerns raised by the partners and ÖGY during the middle of the 80s indicate that the threat of "drift"260 - the inability to re-negotiate an institutional basis as the surrounding context changes - had started to make an appearance, coinciding with the proliferation of post-fordism outlined by Lundh. The model proposed by ÖGY ultimately did not present a complete departure from the school-based model, but did challenge its preparatory status. Thus it's interesting to note that these ingredients, along with the financial measures to

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260 See section 3.1.2 for a definition of “drift”.
incentivize firm-participation were completely bypassed by the ensuing reforms. Instead the '91 "programs" re-affirmed the mix between vocational and academic that YB had argued for. But was this process really a clear-cut case of "positive feedback", as Håkansson argues, driven by a reigning "education line" shared by the most important actors?\textsuperscript{261} When considering the reforms to VET as an arena for welfare policies, which Olofsson's critique implies, the increase in inequality of provision, along with the increase in segmentalist strategies by locally dominant firms indicates a more complicated picture. Did the reforms even represent a retrenchment of welfare policy ambitions? We'll return to this question during the analysis.

Figure 2 seeks to schematically illustrate two aspects that stand out as particularly important when characterizing this sub-period’s developments: the onset of yet another confluence of factors which shocked Sweden's political economy, and the relative paucity of larger reforms to the VET. The timing of external events in relation to the creation of the school-based VET, as Håkansson argues, were unfortunate to put it mildly.\textsuperscript{262} At a time when the need for new solutions may have been more pressing than ever, a change in course remained unforthcoming.

## 5. Analysis

### 5.1 Solving the “skills problem”

So far the study has attempted to trace the creation of and subsequent changes to Sweden's integrated school-based VET, through the help of existing research and primary sources. The preceding sections have in other words sought to capture "how" change constituted itself, in part by using the tools of historical institutionalism. The upcoming analysis will relate these developments to the theoretical framework to propose explanations underlying the form they took, while viewing VET as an arena for welfare policies. In other words, VoC and PRT will be

\textsuperscript{261} Håkansson 2011, p. 179

\textsuperscript{262} Håkansson 2013, p. 141-145
applied as analytical frameworks to the aforementioned historical narrative. What will these approaches bring to the developments so far described?

5.1.1 The puzzle of general skills in a CME environment

Some of the re-occurring themes in the previous section - the "broad" or even "preparatory" education, a movement towards "joining" academic and vocational skills, in a "Fordist" production regime with an emphasis on mobility and task flexibility - would probably surprise anyone familiar with VoC:s basic assumptions. The main proponents of VoC, such as Hall & Soskice or Estevez-Abe et al, often posit the German model as an emblematic example for the CME skills regime, with its reliance on substantial firm involvement in the provision of skills, typically through extensive apprenticeships. Such a regime establishes a high-skills equilibrium of firm- or industry specific skills, serving a production regime based on incremental innovation.263 As section 3.2.3 showed, institutional complementaries were said to function as a protection against the risks involved in committing to such skills. Instead, the historical outline demonstrated a transition from apprenticeships towards shorter educations as well as broader and lower skills. Even more seriously, the school-based system that was created was in itself preparatory, but lacked the kind of institutionalized mechanisms to coordinate the finishing education, which section 4.3 discussed. And this was hardly the result of unfortunate side-effects: taking the view of the social partners showed a deliberative process that weighed the costs and benefits of the VET:s broader and more preparatory qualities. In other words, the main features of this story seems to clash with some of VoC:s assumptions about the coordination of VET.

As the discussion in section 3.2.4 further brought up, the analysis would provide an opportunity to make use of case-specific theorizing to better address the Swedish circumstances, partly drawing upon Busemeyer and Culpepper's studies. And the problems that a broader, school-based VET presents to VoC has not passed these researchers by. As Culpepper suggests: the existence of comprehensive VET within the CME category, even roughly along industry lines, may still appropriately demonstrate how LME are unable to create such a system. But it

263 Hall & Soskice, 2001, p. 10. Estevez-Abe et al, p. 146, 152
does little to differentiate between countries like Germany and Sweden. The analysis below will examine Busemeyer and Culpepper's modifications to the core framework and their ability to constructively engage with the narrative that this study has brought forward. My argument is that they each highlight aspects where VoC usefully sheds light on the system’s development, while perhaps not taking us all the way.

5.1.2 Sweden and “vocational specificity”

Busemeyer echoes Culpepper in his criticism of the overly broad treatment of different modes of skill formation within the CME category. The puzzle is how one might be able to relate countries like Germany and Sweden to one another in VoC terms, where the latter came to lack direct firm involvement in the training process. Busemeyer focuses on one particular aspect from the framework in section 3.2.3 - "authoritative certification" - to make the case that the two regimes can still be analyzed with the same tools. Busemeyer's concept of "vocational specificity" here captures the extent to which the VET is able to provide standardized certifications, which establishes robust and widely recognized skills-provision along occupational lines. The establishment of certification also creates mobility within the established occupational categories. This aspect, in Busemeyer’s argument, re-links the apprenticeship-based VET one finds in Germany with Sweden’s school-based education, as both provided industry-specific, and widely accepted, certified skills with high mobility. But if we emphasize this dimension, how well does it fit the developments in the preceding sections?

Taking special account of the role for a standardized and widespread system of certification does connect with many aspects of the process tracing previously described, especially during the "conjuncture" that the 1960's brought. On the most basic level, the background made clear that Sweden lacked anything like a developed apprenticeship-based VET during most of the twentieth century, and that the forms which existed were too underdeveloped and sporadic to be relied upon. If we apply the VoC framework of coordinated institutions for

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264 Culpepper 2007, p. 619, 621-622
265 Busemeyer 2009, p. 380
266 Ibid, p. 386-398
“deliberation, monitoring, sanctioning and information sharing”, producing change along certain institutional trajectories, the Swedish model had arguably created, by the 1940s and 50s, a well-functioning solidarist system for coordinating industrial relations - offering capacities for both monitoring and sanctioning its members - keeping the pull of wage inflation at bay while letting, in several respects, large export firms take a leading role. In the area of VET, AY took center stage as the deliberative institution and helped guide lawmakers through an expansion of the vocational schools, and later into a system integrated into the larger high school institutions. Improving the capacity for VET had long been on the agenda, and the long term path towards expansion of VET under a system of centralized coordination is not surprising from VoC:s perspective, considering the general collaborative success already at work inside tightly knit industrial relations.

What is more surprising, as was touched upon in the background, is how the social partners allowed their influence to take an increasingly indirect form, at first most visibly through the disbandment of KÖY into the revived SÖ. One counter-argument is that the role of AY might have been presumed to remain strong even after the reforms (which, at least initially was not true), but the move still offers a clear challenge to the VoC notion of "ever more tightly-knit coordination", especially considering the Swedish model's usual business of corporatist self-management. It's here that Busemeyer's "vocational specificity" can provide a way to put some of the incentives facing the actors into context: if "specificity" - as in a standardized and widely diffused system - was one of the main qualities of the model envisioned, the choice becomes easier to understand. As Culpepper has argued, the State's main strengths in the area of training fall under abilities such as “standardizing”: offering a widely diffused, legislation-backed institutional framework for implementation and data collection, as opposed to the 'ear to the ground' contextual knowledge best provided by corporatist institutions for the purpose of representing their members' preferences.270 As Hancké et al show, the state is poised to become a

267 See section 3.2.4
268 See section 3.2.5
269 See section 3.2.4
270 Culpepper 2001, p. 277-280
compensatory actor in the areas where the social partners are known to have disadvantages.\textsuperscript{271} The Swedish state during this time had already provided employers and unions with a number of social policy initiatives which, as Swenson argues, were compatible with the principles of Solidarism.\textsuperscript{272} In the area of training, Rothstein’s study shows that an extensive State-corporatist partnership had already yielded a success from the active labor market policies beginning in the 1950s.\textsuperscript{273} All in all it’s not unreasonable to assume that the state had been able to build a relationship as a ‘trusted partner’ with the other main actors. When one adds to this picture the intensifying problems of labor shortages in the 1950s and 60s, there was an increased urgency to the problem of expanding the supply of mobile labor, not least expressed by the large firms represented by VF. As we saw, the current system of vocational schools still offered a heterogenous system of relatively specialized educations, varying in duration and quality. In other words, this helps explain why AY settled for the integrated system in spite of the surprisingly fast-paced increase in demand for the vocational schools. The far-reaching state apparatus could offer something which the corporatist partners could not, despite their strategic position to closely collaborate with vocational schools and firm-based training initiatives.

5.1.3 Authoritative certification as well?

But at the same time, if we include Busemeyer’s related use of “authoritative certification” in this picture, we run into problems. We noted above Busemeyer's claim that Germany and Sweden provided essentially similar kinds of widely recognized industry-specific foundations for graduates. One problem with this argument was revealed during the aftermath of the '71 system, which demonstrated that students who had entered industrial lines tended to move on to other areas than their original choice. As we saw, this became a problem area for VF and the partners in turn, partially resulting in the creation of YTH.\textsuperscript{274} As Olofsson argues, the Swedish VET has never yielded the same kind of "professionalized" notion of work as was formed in the German

\begin{itemize}
\item \textsuperscript{271} Hancké et al 2006, loc. 408-461
\item \textsuperscript{272} Swenson 2002, ch 12
\item \textsuperscript{273} Rothstein 1996, ch 6
\item \textsuperscript{274} See section 4.3.2
\end{itemize}
model, or its associated constraints based on certification.\textsuperscript{275} ÖGY:s analysis of the looseness of high school vocational certification in turn confirmed this view regarding the 70s and the 80s.\textsuperscript{276} Even in terms of the popular "care services" area was there a lack of immediate ties between certification and recruitment. The 1976 high school commission had in fact found that a significant share of workers in this field came from outside of the designated educations.\textsuperscript{277}

Equally, the notion of authoritative certification seems to make light of the kind of flexibility that was underlying the education reforms, Rehn-Meidner and ultimately the Fordist production regime. Time and again, the backdrop of policies around skills was an always-transforming industrial landscape, which in itself seemed to increase the distance between the kind of focused, specialized training provided by apprenticeships, and the intellectual adaptability sought after by Swedish reformers and firms. Lundahl makes the astute observation that these kinds of unchanging invocations actually indicate the lack of a strictly economic logic driving the actors.\textsuperscript{278} But following such researchers as Lundh and other analysts of this era, it seems fair to argue that at least during the 50’s and 60’s the actors at the same time described a reality with tangibly Fordist features - especially for such vocal actors as VF.

In other words, using Busemeyer’s notion of “vocational specificity” allows us to link the “standardized” quality of the integrated system with the incentives of large firms, as well as those facing the labor movement. Yet the related notion of authoritative certification does not seem to fit the Swedish system, or its underlying growth model. As we’ll see below, the role of general skills and education might provide another piece to understanding the decisions of these actors. Finally, one can also further argue that when the state begun stepping away from its direct control in favor of larger decentralization, this even represented a reversal of the reliance on standardization - a point which Busemeyer in fact makes. He thus equates the increasing decentralization with a corresponding increase of more firm-specific types of skill provision.\textsuperscript{279}

\begin{footnotesize}
\textsuperscript{275} Olofsson 2010, p. 174-175. Exceptions include a few categories of service professionals, such as nurses, teachers or electricians (Ibid, p. 175).

\textsuperscript{276} SOU 1986:2, 17

\textsuperscript{277} SOU 1981:96, 66

\textsuperscript{278} Lundahl 1997, p. 261-264

\textsuperscript{279} Busemeyer 2009, p. 392
\end{footnotesize}
To assess the full extent of such a process is outside the scope of this study, but this notion supports the idea of a change in course inside the larger political economy of skills.

5.1.4 Large firms and the demand for general skills

The integrated high school VET, in other words, neither provided the kind of lock-in to specific certifications associated with the German labor market, nor the reliance on an overtly general education often found in LME. After all, the developments showed that it was the status of vocational education, vis-a-vis the academic track, that the partners wanted to raise and protect. Still, this carries some irony since the need for improvements of general skills had also been a re-occurring theme throughout the discussions. The introduction already briefly touched upon Hall’s discussion around how the Swedish government expanded its public sector by relying on general skills, but is there more that V:cs framework can provide in terms of making us understand this specific form of skills in context of the broader developments?

Culpepper brings up a pattern of higher reliance on general skills training among some CME, which he characterizes as “small open economies”. Considering the historical dominance of large exporting firms in such economies, he proceeds to develop an argument around how firm size affects preferences for general and specific skills, respectively. He hypothesizes that large firms have a greater demand than small for both general and specific skills, as the two skill types in reality may be interlinked - the former working as a prerequisite for gaining higher levels of the latter. Large firms, with their greater resources and demand for higher skill levels overall (presumably, he argues, to keep the level and pace of employee-led innovation higher) are typically able to establish internal labor markets that allow them to more easily retain workers. And they are also likely to show a greater tolerance for funding some of the more specific training themselves. Furthermore, Culpepper argues, studies of the German system shows that the more involved apprenticeships carried out by larger firms are able to increase

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280 Olofsson for instance argues that when former 1946 School Commission participant Stellan Arvidsson declared - after the 1971 system was decided - that Sweden now lacked an actual “vocational” school based education, as opposed to one aimed at developing the student's general skills and personality, few contemporaries were willing to go that far (Olofsson 2010, p. 76-77).

281 See section 1.1.2
“both” general and specific skills in their workers. Returning to the question of education, Culpepper thus hypothesizes a model for understanding the preferences of large firms regarding the general skills content of educations: while they will prefer their future employees to enroll in a broadly “vocational” - as opposed to strictly academic - track, they will be positively disposed towards inserting general skills into these educations. And they would furthermore show a corresponding preference towards avoiding early differentiation, as well as the possibilities of switching between academic and vocational tracks during the course of studying, to ensure that students are actually able to make full use of higher education. His argument here is that attending higher vocational education itself represents an increase in the “general” quality of skills, since the underlying secondary schools have to provide the necessary (general) skills to succeed on a tertiary level.²⁸² Culpepper's contribution is the argument that large firms' preferences towards making vocational education more “general” is not just a product of their greater financial resources to handle the finishing stages of training, or their decreased sensitivity to allowing future employees to stay longer in school, but equally stem from a positive preference for the general content these students will learn.

5.1.5 Sweden's VET as a provider of general skills

Culpepper's suggestion of considering general skills a 'good' under some conditions offers much to the Swedish developments. As we saw, the skills demanded by firms, as AY found out, were never completely 'fit-for-purpose' but involved general qualities such as the ability to independently plan one’s work, and quickly pick up new techniques.²⁸³ And we also saw that this dovetailed with the entire post-war growth model's focus on intellectual flexibility and mobility. As Crouch et al show in their large-scale comparison of skills regimes over time, the Swedish regime has often been characterized as “sophisticated Fordism”, confirming a foundation in terms of higher general skills.²⁸⁴ Furthermore, and perhaps surprisingly, this illustrates why the choice of relying on a school-based VET in place of apprenticeships was not ‘obvious’, and why

²⁸² Culpepper 2007, p. 615-622
²⁸³ Nilsson 2013a, p. 33
²⁸⁴ Crouch et al 1999, p. 117
the 1952 report by Y suggested a future role for such training: while apprenticeships certainly had their downsides, the possibility of increasing both general and specific skills with apprenticeships might have helped making this a possible model when moving forward, if we follow Culpepper's line of reasoning. Arguably, in this perspective, the greater need for semi-skilled labor along with their shorter educations, as well as the high opportunity costs for such employees to commit to long term trainings (during the record years), was another factor that helped tipping the scales towards school-based (though not necessarily fully integrated) VET - which is part of Nilsson's explanation behind why the ‘mystery’ of abandoned apprenticeships came about.

But at the same time, as we’ll see below, when we start to poke on the surface of both the arguments of standardization and general skills we find that other aspects underlying the choices the partners made become more difficult to explain.

5.1.6 In sum: the use and limits of VoC:s arguments

Through the help of Busemeyer and Culpepper's developments of the original VoC propositions, we gain a clearer understanding of what governed the "skills issues" facing the main actors. Turning to the first period, while considering AY as the main deliberative and information-sharing institution in the area of VET, a school-based solution developed based around the provision of increasingly general skills. This took place not just through the SAP-driven reform project to general education, but also through the involvement by actors such as VF. We can see that in VoC terms, the 'indirect' participation of such an actor could at least help ensure that the kinds of skills taught at vocational schools were relevant to Fordist firms. An example brought up was the continued predominance of Taylorist training materials. The series of reforms leading to the integrated high school in 1971 also allowed the state to step in to underwrite an aspect of the skills regime, in terms of the standardization and wide diffusion of educational services. In this sense, Busemeyer and Culpepper’s arguments seem to present two different kinds of

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285 Nilsson seems to follow this line of reasoning as well, as the initial transformations during the post-war years called for wide range of skills. And here apprenticeships were a ‘tried and true’ (although not necessarily perfect) model (Nilsson 2013b, p. 100).

286 Nilsson 2013b, p. 112
explanations: one more ‘acute’ and short-term in the form of quick expansion, the other more long-term in the form of certain skills. But there is one large problem remaining: none of these explanations actually address the issue of why the school-based VET had to become preparatory to the extent that the school-work coordination clearly suffered. Both of the arguments show some of the ‘benefits’ arising from such arrangements, but relying only on the shared incentives these benefits brought fails to address why the system was not created in a clearly positive-sum manner in terms of the "skills problem" facing employers.

The process tracing revealed that employers were until the end wary of the problems that the new VET could bring: while labor shortages appeared as a persistent problem, SAF had, as we saw, in fact argued that the current system was largely capable of providing the kind of skills firms demanded - alleviating labor shortages was the main draw of the integrated high school, not a desire to overhaul the system. While employers may have found value in the higher provision of general skills, none of the actors on the employer-side wanted to go as far as the reforms did, with engineering employers being the most overtly critical. The labor shortages may have been acute, but nowhere does VoC:s framework lead us to argue that employers would choose a short term benefit at the expense of what they saw as threatening the quality of the skills regime itself. LO, on its part, had expressed some ambiguity during the reform process, and most strongly emphasized the benefits of democracy and fairness by the end of the day. It's in other words difficult to explain how the choice was reached only by reference to VoC:s positive-sum problem solving by labor and capital, geared towards improving the coordination of the skills regime.

The developments during the second sub-period do seem to make the aforementioned arguments around general skills more relevant: now the economic and political environment had changed, and both labor and capital recognized the need to reform the current system. Here the creation of YTH might be seen as a precursor for the kind of higher reliance on general skills that Culpepper proposed. Yet it’s important to again recognize the limits of this argument: the ’91 reforms left the school-to-work transition as uncoordinated, and it's not easy to argue that something like a new, alternate model of coordination emerged in their wake. Primarily, as the solidarist bargaining came to an end, more segmentalist strategies became possible. But to make
full use of VoC:s framework, we would have to address the possible problems arising from poaching, as general skills arguably became even more prevalent, and now less inside of the protection of solidarist bargaining. Relying on the ability of a few strong actors to dominate local labor markets seems insufficient when speaking of a new “model” of institutional coordination. We might also note that, again, SAF was not onboard with the direction taken in ’91, but had advocated a different path during ÖGY.

In sum, while VoC provides us with a theoretically grounded account of the possible benefits that may have appeared to the main actors, it’s less able to explain why the system took the form it did. Employers found that while the flow of vocational students had increased, the distance between the institutions of school and work was found to be too large - fears they had expressed even before the reforms took place. The greater reliance on both general and specific skills that appeared during the subsequent “post-fordist” regime does serve to make Culpepper’s argument more relevant. But this perspective does not answer why the some of the solutions for closer coordination that ÖGY and the partners rallied around were ultimately abandoned in favor of an even more preparatory VET. To fully understand the changes on display, a view to the role of ideological agendas and related power resources seems necessary.

5.2 Maintaining a welfare-policy agenda

As the historical developments have shown, the various issues dealt with during the reform process, such as those pertaining to the “skills problem”, became intertwined with larger agendas, some of which had overtly ideological overtones. The next step is to analyze these two periods in terms of PRT:s framework, viewing Sweden’s VET as an arena for welfare policies. Section 4.2.5 noted that neither of the two main policies at the center of developments (general education and school-based VET) had an unproblematic relationship to Esping-Andersson’s concept of “de-commodification”: the project of general education reform took aim at a rather idealistic notion of attacking the cultural foundation of class society, while VET, at least initially, was mainly directed towards achieving full employment. It shared this goal with active labor market policies, thus placing it firmly inside the labor-capital compromise. But the historical data
also showed that these compromises and fault lines were not static, and the question is how they related to the various solutions presented to the skills problem, that the previous analysis illustrated?

5.2.1 1945-1971: creating a new VET during the height of corporatism

When analyzing the uses of power resources, in the arena of education, it’s useful recall Iversen & Stephen’s work to join PRT and VoC into “worlds” of "human capital formation". In their analysis of what they consider the "larger" Nordic political economy of skills, they argue for the existence of strong complementarities between semi-skilled and skilled labor emerging in Fordist production processes, in these countries, during the 1960s and 70s. These complementarities, in turn, gave the semi-skilled unions a level of bargaining power (since their complementarity in production meant that their consent was required in order to make changes) that they were lacking before, and have arguably lacked since. They thus characterize part of the consensual corporatist regimes in the Nordic countries as an "alliance" between skilled and semi-skilled labor. And furthermore, while the spirit of compromise and consensus in industrial relations might have faded over time, they argue that the policies of active labor market policies have continued this alliance, now in the arena of the labor markets. The image of a kind of "alliance" between general and specific skills, phrased in these broad terms and seen as in part driven by corporatist collaboration, as well as a universalist political ethos, doesn't seem implausible; the text has many times highlighted the expansive phase of welfare policies as rising alongside the height of the Swedish "model". And Lundh's analysis follows along similar lines as Iversen & Stephens: in his argument, the homogenous Fordist mode of production with its high labor mobility provided less skilled workers with increasing powers of "voice" and “exit" towards employers. Yet I would modify the premise slightly and argue that what was more pivotal for the area of VET, at least during the first period of our study, were less the ties between

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287 See section 3.3.4.

288 Iversen & Stephens 2008, p. 4, 29-31

289 Lundh 2002, p. 211-212
skilled and semiskilled and more the opportunities to deploy power resources "within" the problem of general skills.

In the case of general skills, both LO and SAF were concerned with the shortfall in admissions to VET that seemingly threatened the post-war growth model. What is interesting is that the process tracing suggests that neither of the social partners seemed to have acted all that opportunistically during this period, but were apparently somewhat joined in the confusion about how to best tackle the situation. At the center of this situation were not just economic concerns but also the SAP-initiated project of general education, which had developed over the course of several decades. In PRT:s terminology, SAP:s project can be analyzed as having followed a rather straightforward path reflective of relatively strong power resources: after the initial pushback from SÖ and the right (SAF and the Conservatives), the gradual prevalence of the reform program along with the increasing acceptance shown towards its premises of decreasing differentiation illustrates a protagonist (SAP) successfully deploying power resources to move antagonists towards consenting. And as we saw, the power resources that could be leveraged from the project's scale and scope also had the effect of initiating a "layering" process in relation to the changing VET. The sequence of events and the changes in the contents of each area show that general education indeed was the dominant part of this development. But the process was not one of SAP simply imposing the project unto passive agents of capital. Instead the text argued for a more subtle process of cross-fertilization where VET first of all became bound up with the changes and demands following general education. But in becoming more intertwined, the project of general education also gained more substance derived from the growth model and its aims of full employment that the bargain rested upon - as we noted, LO came to argue for the educational reforms at large based on both efficiency and democracy. Towards the end of the 50s and during the 60s, when the conjuncture of multiple trends really started taking form, VoC:s analysis provides the insight that SAP was given a window of opportunity to introduce a convincing model resting on both the benefits of standardization and provision of general skills, both of which were important to the partners, as the tracing indicated.

Here it’s important to note that the developments did not indicate that this was due to a deliberate plan by SAP - to take advantage of a potentially confusing situation that would afflict
the social partners. We saw that there already existed voices within SAP who wished to let the state take over the full responsibility of VET, but the idea of a larger conspiracy to leave the project in the hands of a blindsided AY seems far-fetched. The notion of cross-fertilization hinted at that SAP had to put parts of the general education project in the hands of the social partners, which makes the picture of SAP simply ‘powering through’ less feasible. In fact, one could think of this the opposite way: if we believe that this period represented the height of corporatism, and that power resources have “use costs” as section 3.3.3 argued, one could argue it's remarkable how much control SAP reformers did yield in face of the strongly institutionalized role for AY regarding VET - most notably dismantling KÖY despite vocal protests from the partners. Instead my argument is first of all that the social partners decided to use the power resources deployed by SAP into the general education project (its standardization, its popular academic courses and ability to provide general skills) to solve the issues at hand. Yet in doing so they tied the area of VET even closer to the model created by SAP, and away from the ties to AY. I would argue that one can summarize the process of swaying the partners towards a new model as a hypothesis that the Swedish growth model's reliance on large firms, and the outsized executive influence of a small number of actors like VF became a liability in face of rapid changes - especially to SAF. This liability led to a bargain between the state and the partners which ultimately, as shown by the historical data, was not of a clearly "positive sum" nature, i.e not easily explained by reference only to the incentives facing the corporatist actors. If employers had a chance to act during the difficult negotiations around YB, the pressing issues of recruitment volumes arguably increased the cost of other choices. Regarding the idea that SAF was particularly vulnerable, a fair counter-argument is that everyone stood to lose from the troubles facing large firms. But it’s arguably the case that SAF and the employers had more to lose in terms of maintaining unity as an actor. As the tracing showed, the labor movement was also wedded to other values regarding the provision of VET, and SAP was at the time willing to deploy resources into the public sector to face labor market challenges.

It’s important to ask at this point how the overall argument around SAP:s power resources and the dependence on large firms relates to the kind of explanations that have been proposed by some of the case-specific historians: Petterson describes both the large export facing
firms and SAP as powerful actors, whose actions had put various forms of pressures on the political economy throughout the years. But in the end, he argues, these two actors complemented one another in the area of VET, through their shared needs for long-term planning and large scale infrastructural investments. Such an explanation gets at some of the benefits discussed previously, but notably does not address the finer details of the school-work transition that was part of the “skills problem”. It also doesn’t engage with the lack of consensus on display as the system was brought into being. Another common explanation focuses more directly on the role played by the expansion of public schools and the general education project, with Håkansson invoking a "mental path dependence" to indicate a course that was set as early as 1918. Olofsson in turn proposes an "education line" as explaining the developments that led up to 1971. The education line was based around a shared preference among the main actors towards academic, and especially "higher" education, with a corresponding bias against vocational education. An underlying consensus was the notion of ever present change that accompanied the Swedish growth model - those constantly expressed desires to give the workforce enough flexibility to face the unknown, which he argues was always more closely tied to general education. It's hard to argue against the premium placed on higher education, especially among the labor movement. But Olofsson's explanation glosses over the more differentiated preferences that both labor and business interests gave expression to, particularly during the conjuncture of the 1950s and 60s. Simply appealing to what was shared, risks overlooking the possible power-related changes that took place throughout the period. And one way of looking at this, following Lundahl’s aforementioned point, was that the constant rhetorics around ever present change were fungible enough to persist across varying contexts, and for that reason never specific enough to give the full story behind the preferences expressed.

In other words, what ultimately explains the prevalence of the new model, in my argument, was not just the policy legacy of an "education line", nor mainly the predisposition of large firms towards general skills, tilting their trade-off towards the ’71 model. Instead, the

290 Petterson 2013, p. 180-181
291 Håkansson & Nilsson 2013, p. 14
292 Olofsson 2010, p. 22-29
resources invested in the general education project first set the stage by moving organized capital towards consenting with the path of decreased differentiation. And during the subsequent conjuncture, capital’s choices were further limited due to the liability that the reliance on large firms proved to be.

5.2.2 1971-1991: a separation of power resources
As the introduction to the study's second period indicated, the 1970s inaugurated a period of reversal in the power resources available to the labor movement; set in motion, Huber & Stephens showed, not just by the hard times and internal fragmentation, but by the efficiency of an antagonized employer side. This led to several negative-sum interactions, as well as the gradual conclusion reached by powerful actors like VF, that the solidarist bargain was less in their interest. The historical developments in turn show that the area of general education was a salient battlefront where the deployment of power resources played out; conservatives now went on the offensive, as Lundahl showed, using the role of opposition to effectively strike at the labor movement’s struggles. But these contentious debates aside, the actors demonstrated a fairly clear reform fatigue during the coming two decades. More eventful were the areas of adult continuous education, which saw some of the strongest and most tangible de-commodifying proposals from LO, in this area. But the labor movement’s flexing of its legislative muscles were not supported by a solid enough foundation of resources to avoid the quick reversal as fortunes turned towards the conservative side. We can compare this process with Thelen's characterization of the British VET system's early twentieth century antagonisms between unions and employers around craft control. Her argument is that since the interactions were based around sheer balance of power, as opposed to a cross-class settlement, the system rested on a fickle foundation.\textsuperscript{293} The contentions around a highly ambitious agenda for adult education can be said to have shown a similar tendency. Finally, the maneuvering of Persson during the implementation of the three year high school might be seen to have yielded another success by SAP, but as the analysis of Olofsson, as well as Huber & Stephens shows, the underlying agenda of decentralization, and subsequent increasing differentiation between localities had already been set for a number of years. The

\textsuperscript{293} Thelen 2004, p. 93
central indication of reduced power resources - a circumscribing of the legislative agenda - clearly showed itself in this arena as well.

But it was in the area of VET where resources for reform were most dramatically withdrawn: as AY:s activity subsided during the 70s, and the main parties focused on incremental reforms to the school system as a whole, VET only saw complementary measures added in the form of a marginal revival of apprenticeships and the initiation of technical educations at the tertiary level. It wasn't until the 1984 ÖGY commission that any more far-reaching proposals appeared. But as an indication of the continued lack of power resources devoted to this area, some of its core proposals were discarded in favor of a re-affirmation of the merger between academic and vocational courses. I would argue that when viewing VET as an arena for welfare policies, the subsequent reforms by Persson did not represent a renewed commitment of resources towards VET itself, but rather left the main features of the previous model intact, perhaps even moving towards a retrenchment in terms of the increased differentiation between local solutions. The term "retrenchment" might seem off the mark if we keep in mind Iversen & Stephens' finding around the comparatively high share of general skills among citizens in the lower socioeconomic strata.²⁹⁴ But as theorists around welfare policies have emphasized time and again, it's not the absolute effort that counts, but the effort in relation to the challenges at hand.²⁹⁵ The fact that VET now qualified for tertiary educations was certainly an investment in general skills, but arguably represented an increase in what was perceived to be a baseline of marketable knowledge, as indicated by Lundh's analysis of the emerging post-fordism. But these investments were counter-balanced by the continuation of an unregulated school-to-work model, with increasing differentiation between municipalities. In other words, if the '71 reforms merged an idealistic class-subversive agenda with full employment aims, the '91 reforms relied more clearly on creating a baseline for equality of opportunity, loosening up some of the egalitarianism in the labor movement's political ethos. We can note that this development was certainly in line with an overall trend following the power reversals of the preceding two decades. The point is that it was arguably true as well for the area of VET.

²⁹⁴ Iversen & Stephens 2008, p. 18
²⁹⁵ For an overview and discussion around this argument see Hay & Wincott 2012, ch 4
If we return to Iversen & Stephens, they argue that in spite of the strained corporatist relations, there remained an alliance between specific and general skills during this time, partly thanks to the use of active labor market policies.\(^{296}\) The developments this study has looked at indicates that such an alliance did not extend to the area of school-based VET, which instead seemed to exacerbate a more marked division between between those with the high skills (general and specific) as well as social capital necessary to gain entry to the "peak" sectors, and the rest. Since my treatment of this period has been more cursory, any hypothesis regarding the underlying causes needs to be taken with added caution. Still, my argument is that in addition to favoring an "education line" that Olofsson and Håkansson convincingly have shown played a continued part in SAP:s framing of the provision of skills, the power reversal under way made it increasingly difficult for SAP to reform the school-based VET to improve both specific and general skills. The preference for an "education line" among SAP reformers and its long lasting emphasis on higher education might have played a part in constraining the solution. But even more basically the period of austerity underway arguably restricted SAP:s choices, and in this situation SAP had most control over a high school system that already leaned heavier towards general as opposed to specific skills. I would argue that these constraints must be part of an explanation behind why the '91 reforms took on the form they did. An answer from SAP on how to increase both general skills, while increasing the participation of firms as ÖGY had proposed, was for this reason not forthcoming.

Finally, one notable exception, as we saw, was the area of "care services" which formed an important part of the public sector services expansion during the 70s. The commissions thus found that that these educations were not only immensely popular but also seemed to be able to provide what was more or less a finished educational package. To get a deeper understanding of the reasons underlying this development one would have to look more closely at these professions and educations themselves, which would stretch the study thin. But one might at the same time note that even though the public service expansion, in most accounts, was of significant importance during the 70s and 80s, with the move towards austerity during the 90s

\(^{296}\) Iversen & Stephens 2008, p. 31
this sector had fallen from its peak economically.\textsuperscript{297} Thus while this may have been an important alternate model, maybe even giving light to a problematic private/public-sector rift in the area of training, the sector can not likely be seen as exerting an influence strong enough to counteract a direction towards retrenchment.

6. Results

6.1.1 VET as arena for welfare policies: the leverage of general skills

The above analyses have combined PRT and VoC to shed some light on the developments taking place during almost half a century. The examination of the changes first of all found that there was a clear "before/after" in terms of the school-based model of VET of 1971. In this sense there indeed seems to have been a "model" in place that actors related to as firmly institutionalized, even if the social partners were less than fully pleased with the end results. Busemeyer and Culpepper's modifications to VoC:s framework were able to provide a firmer theoretical foundation as to what the '71 school-based model offered. Here the main actors could draw upon increased standardization and provision of general skills, during a conjuncture of multiple economic and demographic trends. These benefits, in conjunction with the powerful project of general education reform, following this study's argument, are key to understanding how this distinctive mix of VET and welfare policy efforts was created. The argument presented by Olofsson and Håkansson regarding the policy legacy of an "education line" should thus be complemented by a recognition of the opportunity for the labor movement to fulfill a welfare policy agenda in the making, during the conjuncture of the late 50s and 60s. Relying predominately on the "education line" argument makes it hard to grapple with the timing of events, and thus risks missing moments where power resources came to play key roles. But this statement should not be interpreted as meaning that SAP or the labor movement had 'planned' or

\textsuperscript{297} See for instance Sveriges ekonomi, statistiskt perspektiv 2007, p. 16-18
even anticipated the way the rising concerns during the 60s would come together. Instead the transition over to the new model could be seen as the result of a collaborative act of "consent" to an agenda initiated by SAP, as YB and the social partners fleshed out the details. An important hypothesis underlying this development was that SAF:s ability to promote a contrasting agenda was circumscribed by its outsized dependence on large firms, which in turn relied heavily on the provision of semi-skilled labor with general skills. The conjuncture, in this sense, thus exposed a vulnerability among organized capital in the area of such skills. The "education line" argument also glosses over the cross-fertilization that may have taken place between general education and VET. Here the class-subversive ethos of general education arguably created an effort that aspired to transcend Wilensky's "equality of opportunity" role, which ultimately came to encompass both forms of education.

This hypothesis regarding the important link between power resources and general skills is clearly a historical explanation, designed to explain a specific period for one case. If one ventures to generalize and make this a testable hypotheses inside the category of "small open nations" with strong "corporatist" and "solidarist" bargaining traditions, the most interesting conclusion is perhaps rather the contexts it does not seem to apply to: if we return to the introduction's desire to learn something about the relationship between skills and welfare in context of a case mixing both welfare policies and corporatist governance of VET, it's clear that what we have learned most likely does not apply well to nations with strong apprenticeship traditions, such as Denmark, which Petterson argues chose a different path largely by virtue of its lack of “powerful” large firms.298 This brings us to Iversen & Stephens “worlds” of human capital, where our study indicates that Sweden does not appear to be a “paradigmatic” case - at least outside of their broad variables of widely diffused education with higher levels of general skills at the lower end of the income distribution. In terms of their suggested interaction between specific and general skills, Sweden rather becomes a special case in terms of historical developments, largely by virtue of the strategic role played by general skills. If one was to propose a broader hypotheses underlying the Swedish developments it would be that the early introduction of some sort of "sophisticated Fordism" was at least a necessary requirement for

298 Petterson 2013, p. 178-181
developments to take on the course they did. Without the higher need for more VET overall, it’s unlikely the partners or the commissions would have found the school-based model a worthwhile option, as Fordism took root in the production regime. A later comparative study might add this possible variable to the ones suggested by Nilsson and Petterson: the lack of an apprenticeship law and the role of large firms, respectively.

6.1.2 The fate of VET during a period of power reversals

As the 70s and 80s entered, a power reversal for the labor movement was underway, and so came the era of welfare expansion to an end. As the process tracing has only been able to take a much more cursory perspective on these multifaceted developments, the following hypotheses are necessarily more tentative. But a fairly strong case can be made for the following: (1) there was a significant withdrawal of power resources from the area of VET reform following the '71 high school. (2) The subsequent three year high school in '91, seen as an arena for welfare policies, changed the foundation enough that one can reasonably ask whether or not the model that was created in '71 has still continued.

A bolder hypothesis - but one that there is some support for - is that whereas the dependence general skills became a liability to organized capital during a certain time, the key role played by such skills now became a limitation for labor. During the height of Fordism the labor movement had been able to raise all boats fairly equally by investing power resources in general skills, but as Lundh's post-fordism thesis and VoC:s analysis showed, this connection was progressively lost during the coming decades. Since the labor market lacked the kind of authoritative certification that one could find in the Germany model, there existed no central institutional system built around the provision specific skills. Thus in order to address the increasing importance of specific skills, the labor movement would have had to make a new cross-class settlement with employers to institutionalize their role in the process, which is the direction ÖGY pointed towards. But the room to devote power resources to make such bargains was now much smaller, during the period of austerity. If there had existed an institutionalized model that included finishing education as well, such a bargain would no doubt have been easier. Thus a preference for "higher education" might have been fairly inconsequential in terms of the
deeper constraints facing labor. Phrased in more theoretical terms, the school-based and "preparatory" model of VET rested on a solid cross-class foundation, as evidenced by its persistence past the 91 reforms. But if we view the same VET as an arena for welfare policies, the cross-class settlement's reliance on general skills (which had weakened capital's resistance) became a liability when post-fordism entered the picture. The '91 reforms did re-affirm the preparatory quality of VET, but the subsequent deregulations did not rest on a new cross-class "settlement", and instead represented a more pronounced separation of responsibilities between firms and the state in terms of preparatory and finishing education. Viewed from such a perspective the "model" seems to have been weakened or even disintegrated. A possible exception, as mentioned earlier, might have been the area of care services, where the state had more direct control, but whose fortunes also turned as the 90s came along.

This hypothesis provides part of the explanation to why it's been so difficult to establish a widely satisfactory model for finishing education. It's similar in nature to Håkansson's overall thesis that Sweden's transitional regime shows a persistent 'suboptimality' in terms of youth unemployment. It's also similar to Olofsson's argument that what is needed to stem the rising inequalities is a new bargain between the social partners. But it shifts the focus towards the problematic nature of skills themselves as well as the role of the state. The 1970s and 80s seemed to demonstrate that the blurring between general and specific skills that characterized the production regime became an impediment for SAP, the actor most closely tied to the current school-based VET, to commit to any new cross-class settlements. It would seem logical to point towards the role of the state as an agent of change in this situation, somewhat akin to what might have been attempted with the expansion of care services. This might be especially relevant if Sweden has been characterized by de-corporatization since the 90s. Another possibility is that alternate models have appeared spontaneously and under the radar, based on initiatives by local firms. But if there is truth to PRT:s claim that labor and capital will demonstrate persistent distributional conflicts, an entirely firm-led model for VET that would also serve to expand social citizenship may be unforthcoming.

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299 Håkansson 2011, p. 19

300 Olofsson 2010, p. 210
7. Conclusion

This study has attempted to combine the frameworks of PRT and VoC, along with an inductive stance inspired by historical institutionalism, to try and explain why developments to Sweden's VET took the character they did - why the school-based VET of 1971 gained a clearly preparatory status, which was further emphasized with the reforms during '91; and why the model, seen as an arena for welfare policies, instead was downplayed or even dissolved during subsequent reforms. The first overall hypothesis is that the '71 reforms rested on a robust cross-class settlement, which was established thanks to the key role played by general skills - both the resources of standardization, attractive academic courses (and general skills) provided by the SAP-led education reforms, but also due to the relative weakness of organized capital arising from its dependence on large Fordist firms, which made an overtly antagonistic stance more costly. But the settlement's reliance on general skills led to a largely unregulated model for finishing education, which, along with the blurring of specific and general skills brought on by post-fordism (and the lack of authoritative certification) presented problems to maintaining the model when seen as an arena for welfare policies. Thus the second hypothesis is that with the changes that took place during the 70s and 80s, the maintenance of the latter model would have required a new cross-class settlement, which was not forthcoming largely due to the lack of institutionalization in providing specific skills. Thus this “model” drifted towards retrenchment as the years went by.

This perspective joins Thelen and Swenson's arguments for paying special attention to the durability of such settlements, but also highlights the need to consider the intentions of the protagonist in reform processes. As Rothstein puts it: institutions are made "for" something, even if its architects are never able to create just "one thing" as Thelen and Streeck remind us. Such a perspective sensitizes us to the cross-fertilizations that arose as the ideological foundations of the two reform projects mixed. But such admixtures also show that they were not a functionalist reflection of one Great Project - neither the expression of the most powerful actor,

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301 Rothstein 1996, p. 31
302 Streeck & Thelen 2005, p. 26
nor the result of a static "education line". If we return to the question of the introduction, how does this study teach us more about the under-theorized mixture of social citizenship and efficiency that seems to characterize the relationship between skills and welfare policies in certain contexts? The study doesn’t provide any ultimate answers, but presents an argument about the possibilities and dilemmas facing strong actors - like SAP or VF - that have close ties to general skills. SAP seemed uniquely poised to mobilize resources in the arena of general skills, helping to create a system that might even have attempted to transcend Wilensky’s constraint of “equality of opportunity”. Here employer-based researchers like Swenson probably have to take into account that the labor movement as a protagonist can make a difference outside of strict employer interest, even within highly corporatist collaborations. But the complex interplay of ideological and practical concerns still validate the criticism such perspectives have raised against overly functionalist notions based on strong social democratic states. When the project was revealed as a failure, and when circumstances changed, SAP would have had to renew its cross-class settlement to deal with the problems arising from the finishing education. But even though LO and SAF seemed to rally around ÖGY:s proposals, SAP did not move in this direction. A case study like this one is poorly set to estimate “how much” one factor mattered over another, but moving forward there seems to be value in analyzing general skills themselves, as a power resource. We noted that Sweden lacked a clearly institutionalized way of defining and providing specific skills. We might for this reason consider the task of drawing boundaries between general and specific as a highly political matter in itself, which the economics of skills often tends to ignore by treating these divisions as carrying an immutable logic. Moving forward, a useful study could for instance compare the cases of Denmark and Sweden by looking at the political process of defining general and specific skills, as a possible intermediary variable in how the role of large firms may have yielded a different outcome in the Swedish case.

When it comes to the study’s limitations, the attempts at striking a balance between induction and deduction will probably come off to some readers as giving too little attention to either side - there are inevitably aspects of the historical developments this study has glossed over which could hold further explanatory value. Equally, the treatment of the theories of VoC and PRT may come off as overly simplistic for those who have elaborated on these models. The
eagle-eyed reader will also note that the study has paid little attention to the notion that skills may give power resources to those possessing them. “Semi-skilled” has been a re-occurring term in this study, and this category is itself arguably vague - “unskilled” in relation to the more intensive apprenticeship-based educations, but skilled enough to require “some” education. A subsequent study could deal more systematically with the ways in which the contents of those skills could provide power resources. Finally, the focus on school-based VET, as the introduction pointed out, has treated several of the complementary forms of education - tertiary, continuing, etc - as marginal. Neither the main actors nor the commissions have indicated that the active labor market trainings were substitutes for the finishing education, but a subsequent study should ask why this was the case, and which possibilities might have existed in this area.
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