SCIENTIFIC PHILANTHROPY AND WELFARE POLITICS OF SOLIDARITY: 
A discussion of the roots of the Swedish welfare state

Staffan Förhammar

Linköping University Post Print

N.B.: When citing this work, cite the original article.

This is an electronic version of an article published in:


Scandinavian Journal of History is available online at informaworldTM: http://dx.doi.org/10.1080/03468755.2015.1115427


Postprint available at: Linköping University Electronic Press http://urn.kb.se/resolve?urn=urn:nbn:se:liu:diva-125832

Staffan Förhammar, ISAK/History, Linköping University, 58183
Linköping, Sweden

Departure Points

Does the social policy of the Swedish welfare state after World War Two have anything in common with scientific philanthropy around the turn of the century 1900? This is a question that has been rendered little attention in research on social policy. As a rule the two orientations have been seen as distinctly different phenomena. The direct comparison of scientific philanthropy with the welfare politics of solidarity is thus the challenge faced in this article.

Based upon empirical studies of Norway, the Norwegian scholar Anne-Lise Seip has distinguished three waves of social policy in the most recent centuries. She identified an important watershed about 1870, when the ‘social help state’ replaced the ‘laissez-faire’ state’. According to Seip, the ‘social help state’ lasted until the end of the First World War, while in the 1920s there was an interregnum. The next clearly identifiable period of social policy development coincided with the rise of the welfare state in the 1930s. Seip identified two decisive differences, one regarding organization and the other in the area of distribution. The ‘social help state’ was characterized by co-operation between the private and the public spheres, while the welfare state implied a fundamental assumption of responsibility by the state. The ‘social help state’ placed emphasis on the principle of demonstrating need, while the welfare state honoured the principle of universality, that is, general measures concerning care.¹

The question of private or public responsibility is also of importance for modern research on the development of Swedish social policy during the first half of the 20th century. Marika Hedin and David Östlund have investigated the formation of liberal
social policy in the beginning of the 20th century. Hedin conducted a biographical study of Ernst Beckman, Emilia Broomé and G.H. von Koch, three figureheads in the debate on social policy. Östlund studied the way in which questions about labour were treated in Sweden and in the USA. Both Hedin and Östlund came to the conclusion that there was a thread that connects liberal social policy in the beginning of the 20th century and the formation of the Swedish welfare state in the 1930s.2

Gösta Esping-Andersen, Peter Baldwin and Francis Sejersted have described the Social Democratic welfare policy as a middle-class project. Instead of the old system of care for the poor and workers, a new system of security was introduced for citizens in general. The definitive shift from a worker-oriented to a citizen-oriented policy, however, did not occur without doubts being voiced. The definitive step in the new direction was taken by the Social Democratic Party in the mid-1940s.3 Swedish social policy should therefore be described as shifting from vertical to horizontal action. During the ‘social help state’, to use Anne-Lise Seip’s term, the aid given comprised projects formulated by the social elite to benefit those who were socially vulnerable, while the welfare state primarily implied a system of security where the donor and the recipient were socially equal.

This study consists of a comparison. A synthesis of the ideas of scientific philanthropy and their concrete expression in the parliamentary debates on social policy related to the 1913 proposal for retirement insurance is contrasted with the leading principles of the welfare state that were formulated in conjunction with two fundamental documents from the mid-1940s. The two documents from the post-war period stem from the earlier part of the so-called harvest time in Swedish politics. One is the 1938 proposal from the Parliamentary Commission on Social Affairs concerning the form retirement pensions should take, and the other consists of the proposal for child allowances in the 1941 official government document, the Population Commission Report. Certain material found in motions and bills submitted to the parliament in 1946 and 1947 have also been followed up. Since the commission reports were published in 1945 and 1946, the principles of scientific philanthropy are compared with the debates on social policy 1945-1947. The bills concerning the retirement pension and the child support benefits were chosen as they both touch upon questions that were also important to scientific philanthropy. The bills concerning the retirement pension and the child allowances also fell completely within the
area of public responsibility, which made possible comparison between the two ideologies of care.

Although Per Albin Hansson, leader of the Social Democratic Party and later prime minister, has been honoured as the one who launched the principle of the Social Democratic 'People’s Home' (welfare state), it was the cabinet minister Gustav Möller who realized the new social policy. Möller made his debut as head of the Ministry of Health and Social Affairs in 1924 and held this post between 1932 and 1951 with the exception of two interruptions in 1936 and 1938-1939. What is referred to as ‘the Möller line’ in Swedish social policy consisted of the idea that the citizen should be guaranteed basic security by means of public provision – not just an insurance against loss of income. According to Möller, the individual himself should take responsibility for his standard of living by means of complementary insurances. Möller’s policy was based on a number of fundamental components within the social insurance system. Included here were the retirement pension, the general sickness insurance, the insurance against work injuries and unemployment insurance.

Earlier research in social policy has shown that there were fundamental differences between the social policy of the welfare state’s model and that of its forerunner. What did these differences have for consequences for the ideology of care, that is, the purported goals of social policy and the way in which those receiving help were regarded? Such a comparison brings to light questions concerning the relations between the voluntary social policy of 100 years ago and modern welfare policy.

As mentioned above, Marika Hedin och David Östlund perceive a connection between the social policies of the social liberals a century ago and the thoughts concerning the solidarity of the welfare state a few decades later. However, they did not elaborate on their interpretation.

Klas Åmark has compared the development of Swedish and Norwegian social policy from the end of the 19th century. Without going into detail he noted that ‘activists in social policy’ criticized the 1913 pension reform for the damage it caused to people’s desire to save. Åmark did not go further into the 1946 decision concerning the retirement pension. He only mentioned the acceptance of Social Minister Gustav Möller’s idea that there should
be no means test, which meant that the state shouldered greater economic responsibility than the 1937 Committee on Social Care intended. The proposal in the investigative study elaborated on the idea of a person’s usefulness to society and stressed individual responsibility for one’s own support. According to Åmark, the 1946 decision represented a change in the view of social policy, whereby the focus shifted from ‘duty’ to ‘right’. The decision to introduce the general children’s allowances in 1947 is described by Åmark as a new victory for Gustav Möller’s desire for universal social insurances paid for by the state.⁶

By collecting a number of previously published articles on the establishment of the welfare system in a volume, Per Gunnar Edebalk has sketched the development of the social insurance system, thus dealing with the decisions discussed here. He described the debate in the beginning of the 1910s as a compromise between the older and the more modern social policies. Individual means tests were confronted with the concept of social insurance as a right. At the same time, according to Edebalk, the adherents of means testing denuded reforms of poor care, which contained an important element of social fostering. As far as the 1946 decision concerning folk pensions was concerned, Edebalk agreed with Åmark: Möller’s influence was decisive for the definitive appearance of the law. The decision concerning general child allowances was only mentioned in passing by Edebalk.⁷

Contrary to the scholars mentioned above, Anders Berge showed great interest in the question of the use of social policy as an instrument for social adaptation. He regarded the 1913 pension reform as a good example of how liberal social policy was interested in a system of exchange whereby social benefits were traded for moral actions that, above all, meant good behaviour. It should be emphasized here that Berge’s description concerned the pension insurance decision itself. He did not mention the scientific philanthropists. Berge followed the pension question up to the 1935 reform and concluded that the fundamental principles from 1913 remained after the revision in the mid-1930s. In order to receive a positive result from the means test the 1935 decision required moral action. In passing Berge mentioned that the 1946 general pension reform was not totally void of demands for good behaviour. The demand made then concerned alcoholics. It should be noted that the requirement for sobriety came to encompass the entire folk pension system, not just the part requiring a means test. The requirement was dropped entirely in 1952.⁸

Scientific Philanthropy
Introduction

The roots of philanthropy reach far back in history. In its traditional form it implied the application of the message of brotherly love in accordance with the image of the Good Samaritan from the New Testament. During the last three decades of the 19th century a reaction with roots in Great Britain developed that opposed the emotional foundation on which charity rested. The new form of philanthropy has become known in modern research as scientific philanthropy or the science of charity. In Sweden it was originally called ‘organized charity’. Philanthropy’s reference to science was made because its promoters emphasized a more impartial relationship to those in need of assistance. Instead of emotions, they wanted to place reason in the forefront, and the goal was the rehabilitation of the poor and their place in society. Another characteristic was that assistance should take place in organized forms. Counteracting begging was especially important, as, according to this new view, begging encouraged spontaneous generosity, a characteristic of traditional charities. The scientific help programs maintained a stance that opposed religiously motivated help and preferred setting a secular tone.

An important tool used by the scientific philanthropists was the personal interview. In this way the person seeking aid could receive tailor-made help. This assistance donned the guise of ‘help to self-help’. Through its focus on individual effort scientific philanthropy can thus be seen as the embryo of modern social work. In other words these scientific philanthropists appear to be early social engineers.

Another basic building block in the relationship of scientific philanthropy to the poor was the demand for effectiveness, which included the organization and coordination of assistance. The new view on the arrangement of various kinds of assistance also implied an unorthodox attitude towards public involvement. According to the scientific philanthropists, it was suitable for the state, local government and philanthropy to cooperate in tackling the social problems that were associated with industrialization and urbanization around the turn of the century 1900. These problems were collected in the concept ‘the social question’. The philanthropists’ attitude to the roles of other actors corresponds well to the key term coined by Anne-Lise Seip, the ‘social help state’.
Although of British origin, scientific philanthropy also reached Sweden. The Association for the Organization of Charity (Föreningen för Välgörenhetens Ordnande – FVO) was founded in Stockholm in 1889 and came to serve as an important Swedish forerunner. The programs of various associations included the encouragement of cooperation in poor care matters between the voluntary organizations and the city of Stockholm. The Central Association for Social Work (Centralförbundet för Socialt Arbete – CSA) and The Swedish Association for Poor Relief (Svenska Fattigvårdsförbundet – SFF) were complements to FVO. The former was founded in 1903 and the latter in 1906. CSA has been described as the first association that tried to create public opinion in this area. It was also an early organizer of education for social assistants. The publication Social Tidskrift [Social journal] was the primary channel for CSA, but the association also published articles (and pamphlets) on special topics. G.H. von Koch, the editor of Social Tidskrift, also published Social Handbok [Social handbook] in 1908. The latter can be regarded as both a summary of ‘the social question’ in the beginning of the 20th century, and as a program outlining the principles for the solution of this problem. SFF’s ambition was to be a meeting place for both voluntary and communal actors. CSA and SFF worked on the national level, while FVO focussed on the local scene. To summarize, it can be said that charting and characterizing the extent of ‘the social question’ was an important point for the Swedish organizations claiming to exercise scientific philanthropy, as it had been for their British forerunners.

The heart of scientific philanthropy thus contained four basic elements: organization, individualization, rehabilitation and cooperation. The help that was organized and individualized should be carried out in projects that exceeded the given boundaries. It meant that voluntary organizations, local governments, regional governments and the state should together deal with ‘the social question’.

The Ideology of Care and Scientific Philanthropy

The socio-political task that the scientific philanthropists took upon themselves was to rehabilitate the poor to become useful and responsible citizens. This transformation should take place by means of an individually designed moral education, in which the foremost tool consisted of ‘help to self-help’. This help was to be based on personal interviews, which reported the causes of the circumstances that existed for the individual
poor person. In the long run, the efforts made were supposed to lead to a decline in the social problems and even their disappearance.

Some of the scientific philanthropists considered a complete reform of society necessary. Evidence is found in the stated intentions of many of the associations that were established to provide assistance for children in the end of the 19th and beginning of the 20th century. The vision of a better society was, however, only one of several reasons why help to younger recipients was prioritized. Concrete reason could be found in the practical realities. It was significantly easier to appeal to the public for economic contributions if the purpose was assistance that would benefit children. Poor children appeared as more vulnerable than poor adults.

The emphasis on measures for children also demonstrated that philanthropic measures should preferably be preventive. An adequate up-bringing should reduce the risk that the person taken into care would later be reduced to poverty. However, there were also preventive measures that had more short-term goals. The scientific philanthropists tried to identify potential risk groups from society’s point of view. Therefore particular attention was paid to, for example, persons with disabilities, the sick, single mothers and criminals, as is evidenced by the flora of associations at that time. The goal was to prevent begging, prostitution and criminality. In the case of criminals the idea was to take care of newly released prisoners in order to try to get them into a rehabilitation process.

The General Retirement Pension 1913

The question of introducing a retirement pension was first seriously raised in the committee that was appointed in 1907 by the conservative Lindman government. The study conducted resulted in a proposal that was later adopted by the liberal Staaff government and forwarded as a bill to the 1913 session of parliament. The debate that followed in the chambers did not adhere to party lines. Because the question here is not primarily concerned with the government’s proposal, but rather the opposition from the scientific philanthropists, the presentation is limited to some of the main points in the bill.
The proposal that was presented by the committee in 1912 consisted of two main parts. The first part dealt with the general basic pension, which was to be financed by fees. According to the proposal, the pension should both be granted to persons who had reached the age of 67 as well as to ‘those with no energy’. The latter included people who could not support themselves by working. The other part of the committee’s proposal included the supplementary pension which was to be financed by tax revenues and subject to a means test. Economic responsibility was to rest primarily on the state, but the municipalities and the county governments were to contribute to the system. It was largely this form of old age pension that the liberal government presented to the 1913 parliament and to which the parliament as a whole gave its support.

The proposed pension was widely criticized, not least outside the parliament. The criticism was directed at several points in the proposal, but, what is interesting here, was the intent to introduce a supplement based upon a means’ test. Much dissatisfaction was seen among the scientific philanthropists. They were not opposed to the pension supplement itself; rather they feared that the means test would be contrary to their major idea of fostering frugality. Society’s help should be ‘help to self-help’, which implied that the individual should be made to feel responsibility for making his own living.

In the parliament criticism of the way in which the means test instrument was constructed was found in two bills submitted to the second chamber and signed, above all, by members of the Liberal Coalition Party. One of the bills had four promoters with Jakob Pettersson, the mayor of Södertälje as the first signee. The other bill was submitted by Hjalmar Wijk from Gothenburg. Pettersson had leading positions in both CSA and SFF. The objections voiced by these opponents of the original bill can be briefly described as disapproval of the proposed balance between public and private responsibility. In its original form the bill could lead to comprehensive public responsibility which did not encourage moral fostering of the individual. According to the authors of the bills, it was important not to counteract the self-help model, something that Wijk regarded the proposed system as doing. Wijk summarized his views on pension insurance as follows: 'Social insurance is first of all a measure that compels self-help in the form of insurance, which the state requires of the individual citizen for his own good and that of society.' Wijk also emphasized that it was important to do the right thing. That having been said, it should not be interpreted to mean that those who were unable to support themselves should be without help from society, but rather that it should occur without means testing.
After providing an international overview, the Södertälje mayor and his fellow authors of the bill thought that they had good reasons for the 'worries expressed', they feared that the proposed Swedish pension bill, if accepted, would prove to weaken people’s desire to save and to help themselves. In the parliamentary debate Pettersson later characterized the pension proposal as 'the alms law'.

The Politics of Welfare and Solidarity

Introduction

The starting point of the journey towards the Social Democratic welfare state is usually pinpointed to 1928 and Per Albin Hansson’s policy speech in the second chamber of the parliament in the debate on social policy on January 18 of that year. Hansson’s speech should be seen against the backdrop of a period of high unemployment and political rivalry between the bourgeoisie and the socialists. The Social Democrats were the opposition party in 1928 and needed to present a profile contrary to the then dominant principle of a strict national budget. This resulted in a position of caution with public funds when it came to dealing with social problems.

During the 1920s the political situation in Sweden was very unsettled, but it gained stability with the victory of the Social Democrats in 1932, even though the party needed the support of The Agrarian Union (Bondeförbundet) in order to gain the desired leverage for negotiation. This was achieved by means of a compromise reached in the crisis of 1933, which meant that The Agrarian Union declared that it was willing to support the government’s proposal in the area of social policy. After the election in 1936 the partners in the crisis compromise formed a coalition government. With the support of The Agrarian Union the Social Democrats were able to proceed from words to action, successively converting the ideas that were derived from the principles of the welfare state into reality.

Some steps were certainly taken towards a welfare state during the 1930s, but the most far-reaching reforms would have to wait until the ‘harvest time’ following the Second World War. It was after the dissolution of the war-time coalition government and the accession of a purely Social Democratic government in 1945, that the strong government à la Tage Erlander (prime minister from 1946) was built up. Numerous socio-political
responsibilities were placed within the public sphere. All this can be interpreted as a way of fulfilling the promise of Per Albin Hansson’s speech on social democracy. At the same time the art of social engineering was at its zenith. In this context it was Alva and Gunnar Myrdal’s interest in the population question in the 1930s that received much attention. 

The groundwork for the reforms after World War Two had been prepared during the 1930s both in terms of rallying public opinion and in practice. In 1938 the Minister of Health and Social Affairs Gustav Möller had appointed the so-called Commission on Social Care whose task was to create greater uniformity and to reform social policy. One of the issues that the Commission on Social Care dealt with was the revision of the basic retirement pension. Their work resulted in a governmental report in 1945 that discussed changes in the retirement pension. It was important in principle that the commission’s proposal should establish a basic amount for the pension at one level for the entire country. The size of the pension should be set at a level that would guarantee reasonable living conditions. Local adaptations of the pension were to be made which would compensate for varying costs of housing in different parts of the country. The fee for personal pensions remained, but the consequences of the proposal were the disappearance of the connection between the fees paid in and the pension received. The members of the investigative commission were, however, not in agreement about whether there should be a means test or not. The division of opinion did not follow party lines. Half of the members of the commission promoted a solution that would mean as little testing of income as possible. This side included Conservative Party members Alarik Hagård, a hospital inspector, and the farmer Martin Skoglund, as well as the farmer Otto Wallén, who was a member of The Agrarian Union. What they wanted to see was a single general sum which would be termed ‘general old age pension’. Hagård and Skoglund registered their reservations, because they feared that the condition of government finances could ruin that solution. The other half of the commission included Provincial Governor Bernhard Eriksson and Olivia Nordgren, both Social Democrats, and the editor Lennart Hartmann, a member of The Liberal Party. They agreed upon a combination of a general basic amount and an additional increment. The total of the basic sum and the addition would be equal to the first alternative’s unified amount, but the relationship to means testing was assumed to imply lower costs for society.
In the bill submitted to the 1946 session of parliament Möller supported the more expensive proposal which was approved. The reformed retirement pension went into effect January 1, 1948. The temporary head of the National Board of Health and Welfare, Karl J. Höjer, formulated the results

as a definitive parliamentary breakthrough for the idea of socio-economic rights, intended to guarantee a minimum standard, should, as long as it is financially possible, and altogether independent of that fact that the benefits are paid for by taxes, be paid without consideration for the person’s economic position, that is, without it being dependent on income.

Höjer was himself a member of the Commission on Social Care and sympathized with the general old age pension.21

Another comprehensive government investigation that was carried out during the 1940s was the 1941 population study. The commission was appointed as an answer to the call from outside the parliament for a political program that would maintain Sweden’s population in the long run. According to those who took the initiative, one important component in the continued work was to favour families with numerous children by means of economic reforms. The committee consisted of a group of experts under the leadership of Tage Erlander, who was then undersecretary in The Ministry of Health and Social Affairs.

The crowning glory of the Population Commission was the 1946 report on the distribution of costs for children. The commission focused on general economic benefits for families with children. The proposal was considered by the government and formed the basis for the 1947 bill on general children’s allowances. Thus the government took a stand in favour of the commission’s unified line. Each child under the age of 16 would receive a certain sum. This was also the decision approved by the parliament. Thus the question of tax financing of general children’s allowances was settled, and payment of the benefits began in 1948. However, in the government study there had been demands not only for income tests, but also for payment of allowances first when the second child arrived. At the 1947 meeting of the parliament when the proposal was debated, a bill from the Conservative Party proposed a combination of benefits and tax reductions. According to this proposal the size of the allowance should decline successively with higher income, and the loss for persons with high incomes should be compensated with a tax reduction. In another proposal from the conservatives at the same meeting of the parliament the idea was
presented that there should be differentiated levels of benefits. The size of the benefits would successively increase with each new child.

The principles concerning the form that children’s benefits should take had already been discussed in the 1944 parliament. At this time the question of how costs could best be reduced was discussed. Members of parliament from the Conservative Party and from The Agrarian Union then proposed a combination of benefits and tax reductions, while the Social Democrats voiced an opinion only on the income test. The latter solution would most benefit families with low incomes. The tax combination would be of advantage above all to those with higher incomes, but it would have a greater counterbalancing effect on the level of costs for families with children in comparison to the rest of society.22

Central to welfare policy were the concepts of financing with taxes, universalism, uniformity and fundamental security. A comparison between the basic elements of scientific philanthropy and the welfare politics of solidarity reveals a clear shift from individual to collective solutions, from social adaptation to security, and from private to public responsibility. It could possibly be argued that the recommendations for the organization were common for these two aspects of social policy, but the prerequisites and demands for coordination were at the same time diametrically opposed. The scientific philanthropists wished to coordinate the activities of different actors to reach the greatest possible effectivity, while for the welfare policy of solidarity it was necessary to regulate the division of responsibility among various levels within the public sphere by law.

**The Ideology of Care and the Solidarity of the Welfare State**

**The Retirement Pension Reform, 1946**

The same year as Per Albin Hansson presented his ideas concerning the welfare state in 1928 a group of Social Democrats with Gustav Möller at its head presented a bill in the first chamber of the parliament concerning a study of the question of a retirement pension. At the same time he expressed his fundamental ideas concerning social policy. Their actions led to the appointment of a committee in 1928 to study the retirement pension question. According to the reform the original term from 1913, ‘pension insurance’, was to be replaced with the term 'retirement pension'.
In the 1928 bill it was established that, although an investigation was necessary concerning how the pension problem could best be solved, the foundation for the solution was already present in the bill as submitted. It demanded reforms that would lead to such an improvement that ‘citizens without delay would be guaranteed old age- and invalid-insurance sufficient to live upon’. In the most suitable solution the public sphere would take upon itself responsibility for the total cost of the retirement pension according to the proponents. Thus the personal fees for social insurance would disappear and be replaced by tax financing. In other words, all those entitled to pensions would be treated alike in regard to support and without regard to income.23

The starting point for the debates concerning reform of the retirement pension system was that these pensions should be financed both by means of personal fees and government contributions. The fundamental idea was that the pension would offer a certain amount of security against the financial setback that age and inability to work could imply. The person who had reached 67 years of age or who had lost the ability to work prior to that would be qualified for a retirement pension for the remainder of life. One condition was that she/he had paid pension fees. A person who had lost the ability to work and had not paid any such fees was, according to the law, eligible to receive invalid support. Economic support to those classified as invalids could be awarded from the age of 16 years. The basic retirement pension could be complemented with an income supplement or with a sum adjusted to the costs of living in expensive locations. This went into effect in cases where the personal income was very low. A person was classified as permanently unable to work if, ‘because of age, physical or mental illness, being crippled or unable to support oneself by means of such work that corresponds to one’s strengths and skills’. In practice there was an individual adaptation of the border for being able to work according to different conditions such as profession, education and other circumstances.24 The point of departure of the Commission on Social Care was, as indicated above, that the new proposal should take care of the economic needs of the old and those unable to work by means of a basic pension. Thus the new retirement pension to a great extent would replace other measures of public support. Because the retirement pension would no longer be dependent on personal fees, special support for invalids would no longer be needed. Those unable to work could more easily gain support from the pension system before age 67 with the new proposal, because


13
permanent disability was no longer required. However, disability should be regarded as a ‘major reduction of the ability to work’, should have existed for a long time, and should be assumed to continue ‘for a significant amount of time’. It was emphasized that the definition should not be interpreted as a broadening of the term invalid as such. The compensation for the lower grade of disability was designated ‘sickness benefit’ and was to be limited in time. New in the proposal was the condition that the income-tested pension should be awarded to women who became widows after ten continuous years of marriage and who did not qualify for the main conditions for a retirement pension – 67 years or disability. In order to be able to come into question the woman had to have reached the age of 55 years. Older widows were considered to be particularly vulnerable because, as a result of marriage and responsibility for children, they had obvious difficulty in gaining access to the labour market. The older widows thus assumed ‘a leading place among the categories that needed society’s help’. Finally, the Commission on Social Care proposed that a married couple would receive less than two unmarried persons. The recommendation was for a so-called family pension. It was above all the rental costs that the investigators argued were proportionately larger for those living alone than for two persons living together.25

The fundamental principle of the welfare state regarding social policy as opposed to the help based on tested needs is seen clearly in the 1945 proposal of the Commission on Social Care concerning the retirement pension. However, there was no wish to get rid of the personal fees. They were necessary as a reminder that the individual still had at least a symbolic responsibility to create the prerequisites for decent living conditions in old age or if one became an invalid. According to the members of the committee there were also important socio-economic reasons for the arrangement. The investigators further emphasized strongly the necessity of creating a system for the retirement pension that simplified social policy and gave it a form that guaranteed a reasonable standard of living for the recipient of the pension. Forms of aid based on testing needs would thus be superfluous. They had in mind both public and private poor care as well as local pension supplements. These were forms of aid that had scarcely led to the desired living conditions.26 The goal of the reform was to make possible a departure from the older social policy that had been characterized by support and to instead make the retirement pension a real pension.27
According to the committee there were good reasons for arguing that the need for help should be tested when it came to using public funds. Economic help from society should not displace individual responsibility. For example, there was the fear that the citizen’s interest in supporting himself and the employer’s motivation for showing concern for employees would be reduced. The results should not lead to a situation whereby persons with reduced ability to work would leave the labour market. The conditions related to old age pension were, however, so general that they did not require any test of means. In addition there were the fundamental principles of a modern pension that would shape the conditions for an acceptable standard of living without supplements. Furthermore, the general solution compensated for attempts by the person seeking the pension to hide income and wealth. Thus with the exception of the limited basic pension the commission found it suitable to retain a means test for the pension forms that could come into question before age 67. Examples of such pensions are the disability pension, sickness compensation and widows’ pension. Against the background described above it therefore seems a contradiction when the commission wanted not only to retain, but also to reinforce, the demands of the earlier retirement pension system for proving ‘worthiness’. The demand to be considered a ‘worthy recipient’ of a pension was earlier discussed in relation to pension supplements and disability compensation. The basic pension was then tied to personal fees. Even though the direct connection between personal fees and the basic pensions should be removed, according to the commission, the ‘dignity’ or ‘worthiness’ principle should be applied to the basic pension, a condition about which some doubt was expressed. Thus the members of the commission considered it reasonable that alcoholics should be disqualified from the right to the basic pension as well as those who ‘otherwise carried on or carry on a scandalously disorderly way of living or obviously did not try according to ability to honestly support oneself’.28

As mentioned above, Gustav Möller largely accepted the proposal of the Commission on Social Care for the modification of the pension system. It should be added that he chose the more expensive alternative, when it came to the detailed planning. On the whole he was in agreement with the major points of the investigators’ reasoning. The purpose of the reform, as he saw it, was that even in old age it should be possible to live an independent life without needing to turn to poor care or be dependent upon relatives. It still appeared,
he argued, that it was normally impossible to get by only with a retirement pension. This could scarcely be regarded as just when compared to the way in which the standard of living had improved for other groups in society.  

Möller supported without reservation the fundamental principle of not having a means test for the right to receive a pension. Ideological as well as practical considerations provided support for taking this step. Against the backdrop of a demographic situation that included a growing population of older persons, it would be highly unsuitable from the point of view of social policy to reduce the incitement for continued work, even after reaching the age for retirement. At the same time an assessment of wealth could counteract the individual’s own saving. According to Möller, the feeling of vulnerability that society created within the citizen through such an intrusive check on wealth should be added to the ideological and practical reasons for abandoning the means tests. Such control could furthermore seem extra trying, as it was experienced as not entirely fair. A natural exception to the new rule of abstaining from means testing was, however, the disability pension. In this case it was necessary to have a means test, so that the authorities could determine the need for public support in relation to the applicants’ own ability to work and subsequent income. At the same time the Minister of Health and Social Affairs considered it reasonable to adopt the committee’s idea that the disability pension could be combined with a limited basic pension with no means test. Möller also chose to retain the means test proposed by the Committee for the Widows’ Pension. He recommended, however, a reduction in the requirement for the number of years of marriage from ten to five years.  

A certain general moral test, however, still remained in the retirement pension system that was discussed in 1946: the demand for fulfilling the principles of ‘dignity’ or ‘worthiness’. The Commission on Social Care had reached agreement that reasonable requirements for a recipient of a pension were that he or she 1.) was not an alcoholic, 2.) did not ‘live in a scandalous manner’, or 3.) did one’s best to make a living. The requirements used to demonstrate worthiness had been criticized by various groups to which the proposal was referred for practical reasons and for matters of principle. Among other things, certain referral groups pointed out that, according to the medical thought of the day, the alcoholic was more in need of care than punishment, not least when the result was that the responsibility for support was passed on to the local poor care or relatives. The
criticism naturally did not mean that the risk for abuse was considered trivial by the groups to which the proposal was referred for comment.

Möller chose to partially take the objections into consideration, when he eliminated the references to way of living and ambition to support oneself. On the other hand, alcoholism still remained as a grounds for disqualification. In a Communist bill submitted to the Second Chamber with Customs Inspector Knut Senander as the first signer, it was demanded that even the drinking restriction should be removed. The diagnosis of alcoholism was regarded as being based on grounds that were altogether too arbitrary, and the alcoholic should receive care. The proponents of this bill otherwise pleaded for a further reduction of the extent of means testing. Finally the construction of disability was pointed out. Invalids should also be encouraged to continue working to a limited extent.

The lack of consensus among the Swedish politicians in the question of alcoholism in the 1940s had its equivalent in the split opinion among contemporary experts within medicine and social care. These experts could not decide whether alcoholism was a social or a medical problem. Expert opinions could be garnered for both sides.

**General Children’s Allowances**

When the 1941 population study took up the questions of general children’s allowances, there were three fundamental principles that they regarded as necessary to take into consideration. First of all, it was necessary to accept as a general departure point a redistribution of society’s resources from families with a single parent and families with no or few children to those with many children. The population question had to be included. An important task during the 1930s was to achieve an increased birth rate in a longer perspective, so as not to reduce the number of persons of working age. The investigators found, however, that the crises in the field of population policy were no longer at hand. The other major point concerned fairness. Should the children’s allowances be used to neutralize the economic burden that responsibility for supporting many children implied? This burden could have drastic consequences. The actual differences in personal incomes were too great. In addition a problem that was difficult to solve was the acceptable definition of a standard concept. It could scarcely take into consideration economic assets alone.
The third and the most interesting principle concerned social policy. How should children’s allowances be constructed so as to secure an acceptable standard of living even for economically weak families with children? The investigators found the goal here above all as a way for society to guarantee that

the children would not suffer from want or on the whole live below such an economic standard that they would not have favourable opportunities for physical and psychic development, and that the families should not be forced below a decent standard by the arrival of children.

At the same time it was an important task of social policy to create the economic prerequisites for a family to be able to acquire the desired number of children. On that point the experts argued that society’s effort was needed not only for those who had the worst situation, but even for persons with good incomes.  

How then should children’s allowances be constructed according to the population study? The point of departure for the experts was agreement that the problem should be solved with a general system. They argued that there were different possibilities for proceeding. The first alternative was to go via taxes. Direct taxes already took into account the burden of support, but the differentiation could be made more distinct. However, that was a pathway that the investigators were unsympathetic to. The effect, they reasoned, would be too insignificant, because those most in need were not to any great extent covered by the government tax. The other possibility consisted of combining a tax reduction with benefits. The decisive reason why this was not acceptable was that the social costs would be unreasonable in light of the situation at that moment, if the goals that had been established for families with children were to be reached. Furthermore, such a solution would have serious and, to a certain extent, unforeseeable consequences for both state and local social policies.

What remained was to recommend a solution in which benefits from the state went to all families with children. The allowances should also be of a size so that it was feasible to achieve the goals. At that point the next necessary matter of principle appeared. Should the children’s benefits be rendered in kind or as cash? In the first case society could fulfill the children’s needs for a cheaper price and more rationally than could the individual family. This was a line of argumentation that was in agreement with the Myrdals’ idea of a
satisfactory form for children’s allowances. At the same time the benefits in kind, the committee continued, would also give society the tools with which to foster the family to healthy lives. Most important, however, was that it did not encourage the families with children to assume the full burden of the responsibility for support. In addition there was the risk that supplies would be sold to others without having benefitted the children in the way intended. The investigative committee argued that both forms of allowances could be combined or rather utilized differently from case to case depending on what goal had been chosen.

According to the committee, the size of the children’s allowances should also, be determined in conjunction with society’s responsibility for certain public services. This was the trinity so well-known to us: health care, schools and nursing care. An enlarged public effort would have direct consequences for the family in general and for children, even if it was emphasized that the main responsibility for care and upbringing still belonged to the domains of home.

After having considered the different solutions and weighed them in relation to one another the experts decided upon a general cash benefit that was the same size for all children. However, the investigators were aware that this sum would cover only a part of the extra expenses for a family with children. Even in the future the family would have to bear some of the costs for the children’s care. Certainly a family with many children could live more cheaply measured in cost per child than a family with few children, but at the same time certain total costs would be felt more than for a small family. Therefore the report considered it reasonable to be able to compensate the larger family somewhat by means of uniform children’s allowances.36

As mentioned above, the population study also contained the idea that children’s allowances should be paid first for the second child in a family. Such a system could also be complemented with a special benefit that was subject to the means test for the first child. Choosing such a system would have meant lower costs for society. One fact that spoke in favour of a unified system with general benefits as described above was that distribution among different income groups would be potentially fairer. With the second child system low-income families with one child risked being excluded, provided that an income test was
not applied, while high-income families with several children would have had the right to the allowances. Young families would also be at a disadvantage if the benefits were first paid for the second child. Finally, the last thing that spoke against a solution other than the uniform allowance, according to the study, was that it served best to fulfil what they construed as their instructions, that is ‘to achieve a fairer distribution of the costs of having children, which was motivated just as much by the views of population policy and fairness as by socio-political and humanitarian consideration’. 37

In the government bill presented to the 1947 parliament Gustav Möller fully followed the line of argumentation from the population study and recommended a common uniform cash allowance for children. Because child support could be seen as a long-term social investment, it was reasonable that the costs of raising and supporting children should be seen as a public matter, he reasoned. The economic responsibility should not rest solely on the shoulders of the families with children. It was undoubtedly so, according to the Minister of Health and Social Affairs, that families with many children had a lower standard of living than those who were responsible for few or no children. Such a situation could be naturally viewed as unsatisfactory from the standpoint of population policy, as it scarcely encouraged bearing many children. More important, however, the cabinet minister argued, was the question of social justice.

The desired redistribution of the responsibility for costs could take place in many different ways. First of all, by means of tax financed collective measures society could more or less directly create conditions that favoured families with children. Möller mentioned, for example, aid to mothers, preventive maternal care, child- and infant-care, and the elementary school, as well as the decision then being discussed to provide free school meals. The tax policy could also be added to the measures mentioned above, because the economic redistribution, something which the population study had also pointed out, was not especially applicable to any great extent to families with children. Secondly, according to Möller, the economic measures could be more directly aimed at families with children. The latter was necessary because the former was not sufficient to bring about the desired redistribution of costs.
As had the population study, Möller took a clear stance against the means test for children’s allowances. If the aim of redistribution was to be reached, the criteria for checking the needs of those seeking help should be so generous that they would bring to naught the desired reduction of costs. At the same time it was necessary to accept a general form of economic help that functioned as a blunt instrument. This drawback was counteracted, however, by the fact that persons with high incomes were affected more by the direct tax than those with low incomes, which in reality gave a greater net result for the latter. The proposal in the population study had one advantage that was bureaucratic in nature, but not to be disdained. The more uniform the principles steering the benefits, summarized Möller, the simpler the system would be to administer.38

As was the case with the Population Commission, the Minister of Health and Social Affairs was not wholly prepared to totally refrain from social control in the question of the children’s allowances. The study had proposed that the local Bureau of Child Care in certain cases should have the right to intervene in order to see whether or not the allowances were really being used for the benefit of the child. Möller supported this idea in principle, but, in spite of the fact that the experts had emphasized that it should not be a question of a general control of the recipients, he stressed once and for all that the authority of the Bureau of Child Care applied only to extreme emergencies. The main rule, however, was that children’s allowances should be paid to the parents with no restrictions.39

Even though the parliament passed Möller’s bill, it was not entirely uniform. It has already been mentioned that the conservatives defended the combination of means tests and tax reductions.40 The criticism was summarized by Ivar Anderson, a conservative and editor-in-chief of Svenska Dagbladet (a major Stockholm daily newspaper), when he protested in a bill submittted to the first chamber that the measure had to a great extent taken on the character of social policy. Instead of moulding children’s allowances so that they satisfied the demands for worthiness taken up in the population study, they had primarily become a question of an officially sanctioned redistribution of economic resources. Furthermore, the author of the bill asked the question of whether there was room for such a policy in the socio-economic sphere.41

Conclusion
The scientific philanthropists at the turn of the century 1900 and the welfare politicians supporting solidarity in the 1940s worked within different political frameworks. The former belonged to a society where the full extent of democracy had still not been accepted. The latter worked within a situation in which the rules of democracy had been fully accepted. The scientific philanthropists and the welfare politicians supporting solidarity still had in common the idea of creating a good and just society. They can therefore be seen as social engineers. Their methods for realizing reform programs differed, however. The scientific philanthropists worked with significantly greater long-term thinking than did the welfare politicians of the welfare state. Their investment efforts in the field of social policy also went in other directions. The scientific philanthropists worked with vertical measures, while Möller and the other welfare state politicians worked horizontally. The vertical approach consisted of an involvement by established social groups to change the social situation for the poor, while the welfare politicians stressing solidarity had the aim of creating security for groups on the same social level as the political reformers.

An important part of the work of the scientific philanthropists was to reach the long-term goal of a just and equal society. In spite of the changes in the prerequisites for social policy with the arrival of the welfare state, the discussions concerning the retirement pension reform and to a certain extent even the introduction of the general children’s allowances in the 1940s still placed conditions on the recipient’s right to be fully accepted by society as social equals. Or at least they still considered themselves to have the right to formulate demands for good behaviour. Thus the idea that the persons who received help from society must in some way pay their way still remained implicit to varying degrees in the arguments. Here there was a clear span of opinions within the Commission on Social Care, which ranged from a recommendation to keep symbolic personal fees as well as some requirements for showing worthiness to the Communist bill in the Second Chamber in 1946 within which the demand for worthiness and means testing would be abolished altogether.

With the help of a model for argumentation analysis that I have earlier used in conjunction with the philanthropic debate around the turn of the century 1900 the analysis of scientific philanthropy and welfare politics of solidarity can become more nuanced. The argumentation has been studied here using four elements: 1.) the formulation of the issue, 2.) values, 3.) description of reality, and 4.) the recommendations for action. The first three
elements comprise the base and the last the logical conclusion. The question posed here is
what connection is found among the four levels.42

The formulation of the basic problem differed, of course, between the
philanthropists and the architects of the welfare state. They saw the situation from different
perspectives. At the turn of the century 1900 the scientific philanthropists set out to attack
the actual social problem – the ‘social question’. A few decades later the situation may have
been described as a social problem, but it consisted primarily of the fact that the existing
organization of social security did not encompass all groups in society.

For the scientific philanthropists the problem was thus a matter for both the
private and the public spheres. A solution was necessary in order to be able to create a basis
for positive development toward a modern society. Therefore measures intended
specifically for the poor were necessary. The measures had to be formulated so that they
produced results, and the results should be permanent. That could be best achieved, it was
thought, by social fostering to good behaviour and frugality, which is also evident in the
scientific philanthropists’ 1913 criticism of the pension insurance. All help from society
should be ‘help to self-help’.

For Gustav Möller and others in his circle it was rather a matter of bringing about a
redistribution of society’s resources, so that the network of security would come to
encompass, at least in the ideal case, all citizens. That means that the situation in the
welfare state was described as a democratic problem, one which had its roots in social
inequality. In order to be able to change the circumstances the public sector needed to take
action.

Because ‘the social question’ of the philanthropists was seen as a central social
problem, it was important that it was tackled effectively. That could best be done by people
who through their education were well-acquainted with social problems. These experts
should be able to give individual and sensible help to the poor coupled with demands. Thus
the help should contain a large dose of fostering that aimed at making the poor and
marginalized into good and useful citizens who were prepared to take their social
responsibility. This change could be most easily achieved by means of help organized
voluntarily which had a specific rehabilitation goal in sight. For those who promoted the
welfare state it was rather the system for social security that should be shaped in the spirit of solidarity, where the public sphere should clothe itself in the role of guarantor of the system’s maintenance. Contrary to the scientific philanthropists’ cherished support for those who passed the means test, the benefits should be universal.

What does the analysis of both forms of help above have for consequences for the central questions concerning social policy? Who should help? How should help be given? And what should help lead to? The answers clearly show the ideological differences between the scientific philanthropists and the welfare politicians of solidarity. The former argued that help should be reserved for those who on the basis of facts could be considered to possess the potential for rehabilitation or development. That means in the first place that, except for children, only adult poor who were motivated to change their situation could come into question. There were, however, deserving exceptions to the rule concerning rehabilitation. This could apply to the elderly who had lived deserving and socially useful lives. According to the social political reforms during the era of the welfare state, the relatively subjective categorization of those deserving help needed to be replaced by general rules applicable to everyone. In the two reforms that have been studied here, it was the case of setting 67 years as the age of eligibility for the retirement pension and the responsibility for one or several children in the case of children’s allowances. For the retirement pension there were, however, some complementary modifications, that at the same time implied a concession to means testing. A little reservation was also put into the decision concerning the general children’s allowances by means of which the Children’s Care Board was given a limited right to intervene to support the child who obviously did not receive any benefit from the subsidy. The retirement pension was also supposed to come into question for those who had not reached the age of 67 but had lost the ability to work to such an extent that it was not possible to support oneself. Another special group consisted of widows under the age of 67. They were regarded under certain conditions to be part of the group of pensioners, not because they lacked the ability to work, but because they, on account of their special situation with responsibility for home and children, had not had the opportunity to enter the labour market.

For the scientific philanthropists it was a matter of being able to give aid in such a way as to support the desired change. In other words it was a case of conscious moral
fostering in a pre-determined direction. The children should be prepared for a future occupation in adulthood, and the adult who was unemployed should be returned to the labour market. The labour market also played an important role in the formation of reforms during the era of the welfare state. Here it was a case of society offering compensation for economic loss resulting from withdrawal from paid labour, limiting of work opportunities or the cost that raising children implied. On the other hand, the concept of scientific philanthropy also contained the ideas that the ambitious citizen should live a thrifty life, so that he or she had the resources for oneself and one’s family in old age. Although somewhat exaggerated, the fundamental principle can still be said to be that the scientific philanthropists shaped their help so that the recipient should be prepared for a life of work, while the promoters of the welfare state wanted to create a system that captured those who for various reasons, such as old age, disability or child care, wholly or partially, definitively or temporarily, left working life.

The summary above elucidates the goal for the two social political orientations that have been studied. The scientific philanthropists’ results show that their efforts had produced recipients well-suited to function in a labour market among diligent, thrifty and responsible citizens. For the builders of the welfare state the aim was instead to eliminate the differences in the standard of living between those working in an occupation and earning a living and those with reduced income primarily due to old age, but also as a result of difficulty in being able to work to a full extent earlier in life. The general children’s allowances also included a demographic aspect. The discussions about an expanded reform to cover the cost of children was initiated as an answer to the need expressed in population policy by first increasing the birth rate and then maintaining it at a high level.

A comparison between the social policy of the scientific philanthropists, on the one hand, and the construction of the 1946 folk pension and the 1947 general children’s allowances, on the other, shows that Gustav Möller’s social policy reforms did not lead to a complete break with the principles of means testing and the demand for individual responsibility for support. In contrast to Klas Åmark and Per Gunnar Edebalk, Anders Berge has noted this circumstance, but he reasoned in general terms without taking into consideration the opinion that was created by the scientific philanthropists prior to the 1913
decision on pension insurance. Nor did Berge look more closely at the discussions in the 1940s.

The limited study of the debate concerning the retirement pension and the general children’s allowances in the 1940s presented here also shows that, in spite of everything, the principle of means testing had its supporters. The consequent acceptance of the general solution must be assigned to the strength of Gustav Möller’s line of argumentation, which did not have self-evident support from the Social Democrats. In the question of the retirement pension he built upon the bourgeois alternative in the Commission on Social Care, but it was the conservatives that had the strongest objections to a universal solution in the case of the general children’s allowances. Even in this case there were doubts among the Social Democrats against taking a full step in the direction of universalism.

A comparison between the ideologies of the scientific philanthropists and the builders of the welfare state thus show clear differences. At the same time it should be kept in mind that, at least in practice, and perhaps also in the realm of ideas, there were points that clearly touched upon one another. Rather it could be said that the scientific philanthropists to a certain extent were portents of the welfare state and its ideals. Furthermore, the scientific philanthropists did not distance themselves from cooperation with the state, something that played a key role in the development of concept of solidarity within the welfare state. By contrast cooperation between the philanthropic organizations and local government was important, and the role of the state in the area of social policy was stretched successively in the beginning of the 1900s with the help of the social liberals.
Printed Sources

Statens Offentliga Utredningar [Official Reports of the Swedish Government] (SOU)


SOU 1946:5. 1941 års befolkningsutredning. Betänkande om barnkostnadernas fördelning med förslag om allmänna barnbidrag m.m. Stockholm 1946.


Riksdagstryck [Parliamentary papers]

Andra kammarens protokoll [Minutes of the Second Chamber] (AK) 1913

Motioner, Första Kammaren [Bills to the First Chamber] (MFK) 1928

Motioner, Första Kammaren [Bills to the First Chamber] (MFK) 1947

Motioner, Andra Kammaren [Bills to the Second Chamber] (MAK) 1913

Motioner, Andra Kammaren [Bills to the Second Chamber] (MAK) 1928

Motioner, Andra Kammaren [Bills to the Second Chamber] (MAK) 1946

Propositioner [Government bill] (P), 1946

Propositioner [Government bill] (P), 1947

Bibliography


Östlund, David, *Det sociala kriget och kapitalets ansvar: Social ingenjörskonst mellan affärsintresse och samhällsreform i USA och Sverige 1899–1914* [The social war and the responsibility of capital: social engineering between business interests and social reform in
End Notes

1 Seip, Sosialhjelpstaten blir til, 12-13.
2 Hedlin, Ett liberalt dilemma, 228–229; Östlund, Det sociala kriget och kapitalistiskt ansvar, 42, 420–422.
5 Edelbäck, Välfärdsstaten träder fram, 157–164.
6 Åmark, Hundra år av välfärdspolitik, 49, 95–96, 113, 235.
7 Edelbäck, Välfärdsstaten träder fram, 161.
9 If not otherwise indicated, this section is based on Förhammar, Med känsla eller förnuft, 103-112.
10 Himmelfarb, Poverty and compassion, 6.
11 If not otherwise indicated, this section is based on Förhammar, Med känsla eller förnuft, chapters 5-8.
13 MAK 1913:321, 3.
16 AK 1913:48, 38.
21 SOU 1945:46, 10; Elmér, Folkpensionering i Sverige, 78-84, 290–292; Höjer, Svensk socialpolitisk historia, 223-224, 260-265 (quotation, 264-265); Svensk biografiskt lexikon, 19, 698.
23 MFK 1928: 169, 1-3. (Quotation, 2); Elmér, Folkpensionering i Sverige, 60-61. A bill with the same wording was presented to the Second Chamber. See MAK 1928: 294. (Per Albin Hansson was the first name.)
24 SOU 1945:46, 64-65 (Quotation, 64).
26 SOU 1945:46, 46, 87-88, 126.
27 SOU 1945: 46, 133-135, 137, 139.
28 SOU 1945: 46, 121.
30 P 1946: 220, 113-114.
32 P 1946: 220, 139-140.
33 MAK 1946: 486, 3-4, 5-6, 8 (7 signees); Norberg, Asker och Tjerneld, Tvåkammarriksdagen 1867-1970, Vol 4, 148-149.
34 Björkman, Vård för samhällets bästa, 227-232.
35 SOU 1946:5, 17-21, 59 (quotation, 21).
38 P 1947: 220, 48-54.
40 See also MFK 1947: 301, 12.