

From conflict to compromise:

The importance of mediation in Swedish work stoppages 1907-1927

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Abstract:

This paper is part of a larger project on labour conflicts in Sweden in the period 1859-1938. In the project we adopt a regional approach, instead of looking at the country as a national unit. We are about to construct databases covering local and geo-coded information on individual conflicts, combined with information from other sources on economic and social conditions.

In the current paper, we analyze the importance of mediation in Sweden in the period 1907-1927. Despite international influence, the Swedish mediation institution initially got an original design. The Swedish mediators were personally appointed, enjoyed high levels of social prestige, and were responsible for conflict prevention and resolution within geographical districts. However, they could not force disputing parties to reach agreements and had limited access to economic resources. The question is: did the mediators make any difference? By combining data consisting of all reported work stoppages in Sweden 1903-27 with information on mediators' places of residence and their involvement in specific conflicts, we disentangle the causal effect of mediation at the local level. We estimate that their presence in a conflict resulted in about 30 per cent higher probability of a compromise outcome. Our results suggest that mediation could have paved the way for a cooperative atmosphere in the local labour market. At the national level such an atmosphere was clearly manifested in the General Agreement in 1938 and with the rise of the Swedish Model.