

Mid-Level Officials as Policy Makers: Anti-Corporatist Policy Change in the Swedish Employers' Confederation, 1982–1985

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The aim of the article is to provide an account of the process of policy change in the Swedish Employers' Confederation (SAF), 1982–1985, implying a shift from a pro-corporatist to an anti-corporatist view on interest representation within decision-making bodies of public authorities in the sphere of labour market and working life issues. In this respect, the study throws new light on the fall of the 'Swedish model' of industrial relations, by stressing the central policy-making role of a few individuals occupying their positions in the mid level, rather than in the leadership level, of the huge SAF hierarchy.

Given the formal structure of SAF and its statutes, SAF seems to be the least likely organisation to show signs of policy making in the mid level. Therefore, the case study also contributes to the general discourse about policy making in organisations, foremost by challenging mainstream rational choice theory assumptions of the role of the formal leadership in processes of policy change.

Being based on studies in the archives of SAF, the article reveals the mechanisms explaining why a few mid-level officials were successful in anchoring a minority standpoint into the basically 'model-friendly' leadership of SAF. The argument put forward is that the key to an understanding of this case of minority influence is to consider the mid-level officials' strategic use of different kinds of information-based persuasion and propaganda techniques. In fact, the policy-making mid-level officials belonged to a specific activist subgroup within SAF with its main base in SAF's department of information.

Introduction

In 1985 the Swedish Employers' Confederation's (SAF's) board of directors decided to recommend the abolition of interest organisations' right to be formally represented in decision-making bodies of government agencies. The decision was a serious blow against the 'Swedish model' of institutionalised three-party cooperation among labour, capital and the state on labour market and working life issues. In 1991 SAF decided to withdraw unilaterally

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from the National Labour Market Board (AMS), the National Board of Occupational Safety and Health (ASS) and a large number of other government agencies, and in 1992 the bourgeois majority in the Swedish parliament decided to change the composition of these bodies, referring to the withdrawal of SAF. The latter decision meant that the central trade union organisations, the Swedish Trade Union Confederation (LO) and the Swedish Confederation of Professional Employees (TCO), lost the right to be represented in the agencies and on the boards from which SAF had withdrawn.

As a critical juncture the decision taken by SAF in 1985 seems a very important one to study. The aim of this article is to provide an account of the policy change in SAF, and by doing so to throw new light on the fall of the Swedish model by stressing the central role played by a few individuals occupying positions in the mid level, rather than the leadership level, of the huge SAF hierarchy. Thus, I challenge the vast amount of academic literature about SAF and the fall of the Swedish model of industrial relations, which explicitly or implicitly tells us the story of an essentially leadership-driven process of policy change in SAF (De Geer 1989; 1992; Blyth 2001),¹ sometimes by combining this view with an account of the central role played by some of the SAF federations (Swenson & Pontusson 2000; Pontusson 2002).

There are also general lessons about policy-making processes in organisations to be learnt from this case study of SAF. Given the formal, indeed very hierarchical, structure of the organisation and its formal statutes, SAF seems to be the least likely organisation to show signs of policy making at the mid level.² Evidence of policy making at the mid level in such an organisation could therefore contribute to our general body of knowledge about policy making in organisations.

Theoretically, the argument is put forward within the framework of the classical Cyert and March (1963) perspective on organisations. Cyert and March describe organisations as consisting of loosely coupled functional units, giving rise to subgroups, often with interests quite different from those of the formal leadership. Being consistent with an assumption of utility-calculating individuals, this perspective on organisations is basically different from those of some subsequent theories of organisational decision making such as the 'garbage can' or the 'logic of appropriateness'. However, in contrast to most rational choice models of organisational decision making this perspective doesn't take the formal leadership's ability to steer organisations for granted. Rather, it contains reasons to put such an assumption seriously into question, or at least to make the role of the leadership an empirical issue.

Next, I will briefly introduce the cultural context in which the policy change took place. After that, I turn to the case study, structuring my analysis around the concept of four different phases in the policy-making process: a phase of initiation (i.e. when corporatist arrangements in government bodies within the labour market and the working life sector were for the first

time considered problematic by people in SAF), a phase of investigation (i.e. when the issue was investigated within the organisation), a phase of decision making (i.e. when the organisational leadership had to choose a standpoint on the issue on behalf of the organisation) and finally a phase of implementation (i.e. when the anti-corporatist standpoint was communicated to actors in the political system external to SAF).³ In the last part of the article, I sum up my results and highlight my conclusions.

Political Culture in SAF

During the 1980s SAF was a huge organisation employing some 500 people, and also a quite heterogeneous organisation encompassing different cultures with very different ideas about the appropriate role for SAF to play in the political system. Three distinct cultures can be identified: the negotiators, the deliberators/policy-experts and the activists.⁴

The former two cultures were the two main pillars of a dominating 'model-friendly' SAF culture, with strong ties into the leadership of SAF. Emphasising the virtue of mutual understanding among opposite parties (SAF and the central trade union organisations), the negotiators had a profound pro-corporatist view on politics, whereas the deliberators'/policy-experts' approach was more pragmatic, stressing the expert role of organisations and their task of broadening the basis of political decisions in a deliberative manner. However, taking into account that much of the experts' daily work consisted of representing SAF in government agencies and commissions, they would not be the first ones to challenge a corporatist system of which they themselves had become a part.

The activists were not loaded with the negotiators' and the experts' personal experiences of becoming parts of a system of institutionalised interest representation. Having their main base in the department of information, and with some ties also to other functional units within the SAF bureaucracy, the activists suggested that SAF play a more offensive political role, on the basis of a clear-cut ideological identity, SAF's own problem definition, and lobbyist and opinion-building activities.⁵

Thus, the activists were very uncomfortable with the Swedish model of industrial relations. They argued that institutionalised cooperation with other parties, such as LO, tended towards a shift in the SAF representatives' loyalties, from principles of private business towards other parties such as LO and public authorities. From this perspective the SAF representatives were seen more as powerless hostages in a political game controlled by the central LO, the activists' main enemy,⁶ than as any real counterweight to the unions. From the activists' point of view the model was nothing but a euphemism for continuing LO power.

The prospects for the activists to seriously threaten the model may seem poor. After all, they constituted a minority group with relatively weak anchorage in the leadership of SAF. At times, however, the underdog influences politics,⁷ and in particular one would be wise not to forget the skills usually associated with SAF's department of information in making effective use of different kinds of persuasion and propaganda techniques. As will become clear, these information-based techniques could be put to use not only for the purposes of influencing public opinion and the politicians on some political issue, but also in order to influence policy making within the heterogeneous SAF.

The Policy-Making Process in SAF on the Issue of Corporatism, 1982–1985⁸

The Phase of Initiation

The seemingly robust support for corporatist arrangements was reflected in the discussions among the leadership. The issue of corporatism that had been discussed among the chief officials in 1979–1981 was a completely different discussion from the activists' discussion about the evil of the Swedish model. The chief officials had never called the model into question. It was rather the tendency of being engaged in, and spending scarce organisational resources on, issues that the interest organisations neither had a vital interest in nor could claim to have any specific expert knowledge on that the chief officials had reacted to and wanted to come to terms with (Artin & Arvidsson 1979; Lindström 1979; Artin 1980; SAF's group of chief officials 1981).

In connection to that discussion, the chief officials were using the expression 'corporatism' as synonymous with institutionalised participation by organised interests in the formulation of public policies *outside* their direct areas of interests. According to that view, participation by the organisations in decision-making bodies in the labour market sector was not seen as an expression of 'corporatism'. Those phenomena which the chief officials had in mind when they dissociated themselves from corporatism were for example the rather absurd representation of SAF and LO on the Treatment of Offenders' board of directors and a couple of other government agencies on the periphery of the labour market organisations' real spheres of interest (Artin & Arvidsson 1979; Artin 1980; SAF's group of chief officials 1981).

Thus, the chief officials had identified a rationalisation problem for SAF which had to be solved. That problem, furthermore, had consequences beyond the issue of participation in public authorities – after all, scarce organisational resources were also spent on participation in Royal Commissions and the remiss process.⁹

The mission to deal with the task of trying to rationalise SAF's political work was in 1982 given to Lennart Grafström, a person who formally had a position on the mid level of the SAF bureaucracy as a kind of free resource, utilised for the purposes of different kinds of investigations.

Grafström was, however, not only an experienced and efficient investigator; he was also an activist, and occupied with the concerns of this group. In fact, during his time as a leader of an internal SAF project, 1981–1982, Grafström had become aware of the great power potential for LO connected to the system of representation of labour market organisations in decision-making bodies of powerful public authorities such as the National Labour Market Board (AMS) and the National Board of Occupational Safety and Health (ASS) (Grafström 1982a). Thus, in the autumn of 1982, when he was planning a new investigation requested by the chief officials, Grafström set for himself the visionary task of destroying the Swedish model, as far as corporatism arrangements in AMS and ASS were concerned.¹⁰

From the point of view of Grafström, however, it would be necessary to black out all controversial activist aspirations, and to present the investigation plan in such a modest and appealing manner that it could receive the requisite support from the chief officials.

Consequently, before the chief officials Grafström preferred to describe the suggested two-year project on 'the Influence of Organisations on Public Authorities' in the following manner:

The analysis of corporatist tendencies ought to be deepening. To some extent attention to the unions' *influence on public authorities* has been given within the project 'Union-Led Companies?' Within SAF an important debate on grounds of principle has started as far as the role of private business is concerned.

There is now a need for an overall judgement of the influence upon public authorities by the organisations. . . . The group ought also to make proposals as regards *the future action of SAF* and in that connection among other things judge the possibilities of some kind of 'decorporatisation' in mutual understanding with the opposite parties. (Grafström 1982b, 6)¹¹

Talking about 'analysis' that 'ought to be deepening' and mutual understanding with the unions, Grafström made use of arguments carefully designed for the deliberators/experts and the negotiators, respectively. And having his project plan connected to an already existing 'important debate on grounds of principle' within SAF, thereby exploiting the ambiguity embedded in the key term 'corporatism', Grafström seemed to promise nothing more than a logical follow-up of some earlier chief officials' discussions suggesting changes on the margin of SAF's political work.

Thus, after a slight modification of the project name suggested by Grafström – the suffix 'Public Authorities' was abolished, indicating a broader approach also encompassing the issues of participation in Royal Commissions and the remiss process – the chief officials approved Grafström's project idea. At the same time the chief officials agreed that a straightforward, and generally well-reputed, deliberator¹² would take

responsibility for the project as far as the chief officials were concerned (SAMPOL 1983).

The Phase of Investigation

Thus, the issue of corporatism was supposed to be investigated by a group, Influence of Organisations (OI), within SAF from 1983 to 1984. The group was composed of some ten people, most of them mid-level officials employed by SAF and the remaining ones brought in as representatives of some of the SAF federations (SAMPOL 1983).

In terms of the SAF cultures I have introduced, OI at the beginning contained two activists: Grafström, and Lars-Göran Redbrandt. Redbrandt had been employed by SAF in the autumn of 1982, after serving six years as a political expert in the chancellery of bourgeois governments. Grafström and Redbrandt occupied positions in OI as project leader and secretary of investigation, respectively (SAMPOL 1983).

Influence of Organisations also consisted of three experts brought in from the SAF bureaucracy, and four representatives of SAF federations, which, however, showed at most – an activist representing the federation of bakers being a notable exception – a lukewarm interest in the investigation. Two of the representatives had the image of being negotiators and one had a rather vague image (SAMPOL 1983).

The multicultural composition of OI meant that different views were expressed on the issue of corporatism during the investigation. From the available documents it is clear that all three SAF experts expressed more or less sceptical views about the activists' pledge for an abolition of interest representation in public authorities' boards of directors within the main area of SAF's activities (Grünwald 1983; 1984; Myrdal 1983; 1984; Regnell 1984).

All this scepticism notwithstanding, the activists eventually succeeded in persuading the experts to support, or rather not to oppose, the recommendations put forward in the final report from OI. The recommendations showed a preference for a general abolition of interest representation in public authorities' decision-making bodies, inclusive of AMS and ASS (Influence of Organisations 1984d). How was this achieved?

During the time of investigation the activists in OI utilised their positions in order to secure a privilege on the formulation of problems and control of available solutions. Working in tandem, Grafström and Redbrandt carried through most of the investigation's work on their own. They wrote all drafts for discussions, including that of OI's final report, and the contributions of the others were mainly restricted to comments on drafts written by Grafström and Redbrandt on behalf of the group (Influence of Organisations 1984a; 1984b; 1984c; 1984d). The manner in which the two activists were

exercising power by controlling and biasing decision-relevant information is worth considering in some detail.

In OI's final report (*Influence of Organisations* 1984d) the two activists put forward three different models suggesting different routes for SAF's future political work. The suggested proposal for OI implied a preference for what was labelled a 'strategy of development', which was described as an uncontroversial but at the same time innovative third alternative to the 'status quo' and 'the radical strategy' (the latter was said to imply an immediate, general and unilateral withdrawal by SAF from all kinds of formalised participation within the political system).

The way in which the two activists packaged, labelled and connected different proposals was very strategic. The idea of working for an abolition of all corporatism arrangements in public authorities' boards of directors (inclusive of AMS and ASS) was, for example, connected to and partly hidden under the label of 'the strategy of development', a clever move if one wished to play down the radical content of the anti-corporatist proposals (*Influence of Organisations* 1984d).

The same purpose was served by the explicit and strong connection made, in the final report, between the proposal of working for the abolition of interest representation in public authorities' boards of directors and the idea of working for the establishment of 'permanent groups of reference'. The latter idea suggested a preference for some kind of advisory bodies, composed of representatives of organisations, connected to the public authorities with the purpose of making continued formalised contacts with the public authorities possible after the suggested abolition of corporatism in the public authorities' boards of directors (*Influence of Organisations* 1984d).

By direct reference to this package of ideas, the proposal for a new SAF policy on corporatism was described in the final report as a quite modest one that 'doesn't imply any dramatic change' (*Influence of Organisations* 1984d, 35).

In addition to this, the idea being symbolised by the advisory bodies – organisations as advisors communicating expert knowledge to the politicians and the public authorities, thereby improving the intellectual basis of the public policy-making process – of course was very much at the hearts of the experts/deliberators, and the activists knew that.

The strategic choice of putting forward a proposal for a 'strategy of development' – at the expense of the activists' own preferred alternative, 'the radical strategy' – had, however, another implication of some importance. With the aim of avoiding an irreconcilable conflict with the experts, Grafström and Redbrandt temporarily gave up the idea of a unilateral withdrawal by SAF from public authorities' boards of directors, such as those of AMS and ASS (*Influence of Organisations* 1984c; 1984d). 'Certain things happen when you're writing a report; you have to master the art of what is

possible', Redbrandt states (interview, Redbrandt, 17 February 1999). At the time, however, this didn't seem to be a huge sacrifice by the activists. Rather, the ambition to have the anti-corporatist standpoint become an official SAF policy would during the autumn of 1984 be the matter of most urgent importance. So the activists gave priority to this.

It's also interesting to note that especially delicate issues about the investigation's mandate, and internal anchoring of anti-corporatist ideas in SAF, were never put on the agenda of OI. Instead, issues such as these were considered in connection with special meetings aimed at drawing up plans for further SAMPOL (SAF's Programme for Politics in Society) work,¹³ at which Grafström and Redbrandt were the only attending members of OI.¹⁴ They were here surrounded by like-minded people, and in reality these meetings became pure activist gatherings (SAMPOL 1984a; 1984b).

Thus, at the time when Grafström, in June 1984, described the anti-corporatist efforts as a 'difficult internal process of change', which called for 'more powerful stimulation than hitherto', the activist programme group had already expressed similar points of view (SAMPOL 1984c, 1). In notes from a meeting held in March 1984, one can in fact read that 'the group considered it important to seek new means for internal organisational renewal' (SAMPOL 1984a, 2).

And ideas were hardly absent when the activists brought their minds together. They would have to 'keep on working with the mouth against mouth method', and were planning 'the production of real cases of successful influence attempts and a concrete plan of abolition in some area' (SAMPOL 1984a, 2). They would also try to engage 'external' actors, such as the Federation of Industry and a few neoliberal opinion builders with connections to private business (SAMPOL 1984a, 2).

The 'mouth against mouth method' was partly about trying – through personal attendances – to win the experts and deliberators for anti-corporatist ideas, partly about trying to get some more SAF activists engaged in the project of dismantling the Swedish model.

'The production of real cases of successful attempts to influence' implied an intention to search for concrete and real 'cases' where SAF's opinion-building and lobbying activities had turned out to be successful in terms of influence upon public policy (note that all kinds of failures in this respect, which could complicate the overall picture and, consequently, the anti-corporatist efforts, were to be excluded). This, of course, was about convincing potential sceptics about the efficiency of informal, non-institutionalised methods of political work in terms of influence upon public policy. In the final report from OI, 11 (!) such 'real cases' were introduced in an appendix (Influence of Organisations 1984d).

It was, further, considered important to carry through quite soon a unilateral SAF withdrawal from at least some public authorities' boards of

directors which were considered peripheral in relation to SAF's main areas of activities. The underlying idea of the activists with respect to that move was not that such withdrawal ought to serve as a basis for evaluation, and that such experiences ought to be discussed in a deliberative discussion within SAF about the desirability of withdrawal from the public authorities' boards of directors in SAF's main fields of activity. This was rather intended as 'a clever move' with the aim of giving sceptics towards anti-corporatist ideas 'some little sign of what probably would happen' (quoted from interview, Redbrandt; Grafström 1985).

During the time when OI was working, regular reports about the work were presented before the chief officials. Even if the group of chief officials did not have any formal decision-making power as a collegial body, it was, of course, of great importance for the work of OI how these reports were dealt with by the chief officials.

One serious problem for the mid-level activists to deal with in this context was that of the very sharp cultural differences between the activists and the negotiators within SAF. Having been lucky enough to avoid having SAF negotiators in OI, they sooner or later had to face the almost impossible task of convincing SAF's chief negotiator¹⁵ – a powerful man who was the front-figure among the negotiators and also the managing director's deputy – about the merits of anti-corporatist proposals.

The mid-level activists' way of dealing with this problem was to make sure that as little information about what was really going on in OI as possible was communicated to the chief negotiator. Thus, when preparing the presentations to be done before the collegial body of the group of chief officials, the aspirations of bringing an end to the system of interest representation in AMS and ASS were blacked out.

At the same time, successful efforts were made to anchor these ideas among the deliberators among the chief officials, by putting forward arguments of principle, coupled with the suggestion of advisory bodies. In early 1984, the deliberator responsible for the SAMPOL work among the chief officials changed his view on interest representation in AMS's and ASS's decision-making bodies (Unge 1984). Since he was a person known for his good and thoughtful judgements, this also paved the way for a rapid change of view among other individuals in the collegial group of chief officials, among them the managing director (Grafström 1984; Ljunggren 1984).

Thus, at the time – in December 1984 – when the final report was on the collegial group of chief officials' meeting table, the anti-corporatist proposals were already anchored among most of the chief officials. The chief negotiator, however, was quite upset, stating his opinion that 'making anti-corporatism now a superior concept in SAF's activities has been announced too late', and defending the *status quo* in AMS and ASS in regard to corporatism (SAF's

group of chief officials 1984, 3). But it was the chief negotiator himself who was too late. The deliberators were now out of reach. The chief negotiator had been defeated by the mid-level activists (SAF's group of chief officials 1984).

The Phase of Decision Making

The Swedish Employers' Confederation's board of directors had not been a driving force in the process of initiating and investigating the issue of corporatism. In regard to the work of investigation, this is hardly surprising. At this time it was not supposed to be the board's task. Tasks of investigation were instead supposed to be carried out by the SAF bureaucracy. But making decisions on fundamental issues of policy, such as that of SAF's view on interest representation in AMS and ASS, was definitely something to be decided by SAF's board of directors. How did the board deal with this task?

The remarkable answer is that the issue of corporatism was never discussed on the board, although the issue was actually on the meeting agenda on three occasions before the decision on a fundamental change of SAF policy finally was taken.

A first oral report on OI given by Grafström in January 1984 was followed by a suggestion from the chairman of SAF¹⁶ to postpone the issue. That settled the matter at this stage (SAF's board of directors 1984).

The next time corporatism appeared on the board's agenda was in March 1985, when the final report from OI was presented by SAF's managing director.¹⁷ The final report, which was distributed among the members of the board before the meeting, proposed an unambiguous anti-corporatist view on the issue of the composition of public authorities' boards of directors, something that was also highlighted in the oral presentation made by the managing director. Discussion was, however, still absent (SAF's board of directors 1985a).¹⁸

One member of the board¹⁹ did express a view at the March meeting, stating his opinion that 'an important and great work had been carried out' by OI (SAF's board of directors 1985a, 10). 'I consider the investigation so important that it deserves a discussion at a future time,' he concluded, thereby in effect arguing for a new non-decision (SAF's board of directors 1985a, 10). The Swedish Employers' Confederation's board of directors followed that recommendation, deciding 'an extra meeting of the board of directors' should 'take place on June 14 . . . for a deepened discussion about the project "Influence of Organisations"' (SAF's board of directors 1985a, 11).

Such an extra meeting of the board was, however, never to take place, and it was not until November 1985 that the issue of corporatism was considered again by this body. On this occasion, the board was supposed to communicate

its view on a draft, written by Grafström, expressing SAF's public view on the final report from a parliamentary *ad hoc* commission.²⁰ Having been set up by the Social Democratic government in 1983 with the purpose of investigating the forms of governance of, and by, public authorities, among other things the commission proposed a general abolition of interest representation within the public authorities' boards of directors.

In the draft the proposed SAF position was formulated as 'SAF shares the point of view of the . . . committee that interest organisations ought not to be represented in the public authorities' boards of directors' (SAF's board of directors 1985b, Appendix 3:1). The Swedish Employers' Confederation's board of directors could hardly have formulated an anti-corporatist standpoint on the issue of representation in the public authorities' boards of directors much clearer than this, and, with formulations apparently marking a fundamental change of SAF's standpoint on an important issue of policy, one would now expect a thorough discussion and debate within the board of directors.

But the expected discussion never came. Immediately after Grafström's oral presentation, the board took a unanimous decision implying approval of Grafstrom's draft of SAF's view without any sign of reservation (SAF's board of directors 1985b). The decision on principles, marking a willingness to work for a general abolition of corporatism in public authorities' boards of directors, was in fact a decision taken without any preceding discussion within SAF's board of directors. How come?

Calling for non-decisions when the issue was on the meeting table of SAF's board of directors, and being successful in imposing their will on the board in that respect, two members of the board certainly contributed to the course of events.

Having said that, I think, however, that the most critical questions still need to be answered if one wants to understand why a fundamental change of SAF policy was decided without any discussion within SAF's board of directors. Why did the scheduled extra meeting in June 1985, when the final report from OI was to be discussed, never take place? How come there was no discussion at the decisive, policy-changing meeting in November 1985?

In early February 1985, the managing director had set up a particular Implementation Group within the SAF bureaucracy with the purpose of further elaboration of the intentions in the final report from OI. Grafström and Redbrandt were included in that group, and contributed to the fact that from the start the group acted strategically in its relations to SAF's board of directors (Unge et al. 1985).

Even before a meeting to be held in late April 1985, the secretary of the group, Redbrandt, had made the issue an individual point of discussion on the Implementation Group's agenda (Redbrandt 1985a). And from documents recording that meeting one can read that the group also instructed the

managing director to utilise the legal means at his disposal to cancel the extra meeting of SAF's board of directors which was supposed to take place in June (Implementation Group 1985).

Furthermore, before the November meeting of the board of directors in 1985, the officials had, in the written basis for discussion, presented a quite peculiar interpretation of the previous March meeting of the board of directors. '[G]eneral support for the conclusions and propositions' being codified in the final report from OI was claimed to have existed at the latter meeting (Ljunggren 1985, 1). Such an interpretation of the March meeting seems wrong or at least highly questionable. The fact is that only one member of the board had expressed support for the report. Otherwise, the report was dealt with indecisively.

The interpretation put forward by the officials – from the contemporary records of the work within the Implementation Group one could identify Redbrandt as the person planning this move (Unge 1985a; 1985b; Redbrandt 1985b) – implied that the members of the board were told that there already existed an anti-corporatist policy which the November meeting only had to acknowledge and codify, rather than face the task of making a brand new decision on a change of SAF policy. Further, this interpretation had already had some practical consequences. Within the SAF bureaucracy, extensive work had already been carried out by the Implementation Group on further development and implementation of the intentions in the final report from OI. This was also something that was communicated in writing to the board before the November meeting (Unge 1985c).

In addition to that, the board was also told by Grafström, at his oral presentation at the November meeting, that even if corporatism in decision-making bodies of public authorities were to be abolished, SAF would still, and for the foreseeable future, advocate formal pathways by which the organisation should exercise influence on the public authorities (SAF's board of directors 1985b).

Small wonder, then, that discussion was completely absent at the decisive, policy-changing meeting of SAF's board of directors in November 1985.

The Phase of Implementation

From the contemporary sources, constituting records of the investigations into SAF's political work, it is clear that the like-minded mid-level activists Grafström and Redbrandt were as early as in the winter of 1983/1984 establishing contacts with important elements of the political system in Sweden. The main object of attention was the parliamentary *ad hoc* commission instructed in 1983 by the Social Democratic government to investigate and make proposals on reforms of the forms of governance of, and leadership models within, public authorities (SAMPOL 1984b; 1984c).

The available sources tell us that Redbrandt had frequent contacts with the representative of private enterprise in the commission, where formally no representatives of interest groups were to have seats, and also that direct contacts were established by Redbrandt and Grafström with the three representatives of the non-socialist political parties within the commission (SAMPOL 1984b; 1984c). In fact, Redbrandt was already familiar with these party politicians from his six-year period as a political expert within a department of the Swedish government.

What kind of purposes did these informal contacts – between people from SAF and members of the parliamentary commission – serve, from an SAF perspective?

The answer depends on through which SAF cultural lens one considers these contacts. In the mind of a straightforward deliberator – in fact, the only person among SAF's leadership who was lucky enough to be informed that contacts were established between SAF and the commission was a straightforward deliberator²¹ – the contacts would serve the purpose of getting some more information about the issue of corporatism and, consequently, broadening the basis and the quality of the work of the SAF investigation (Unge 1983; SAF's group of chief officials 1984). They would, consequently, strengthen the deliberative character of policy making within SAF.

The two mid-level activists, however, didn't care much for deliberation. They had their own great mission: to bring down a corner pillar of the Swedish model. Consequently, they were in the first place interested in influencing public policy rather than collecting information in order to broaden the basis of SAF's own investigation of the issue of corporatism.

These lobbying activities seem remarkable in two ways. First: in its final report, the parliamentary commission actually put forward proposals in which the requests of the mid-level activists were wholly satisfied, not least on the issue of participation by the organisations in decision-making bodies of the public authorities. Second: two officials in the mid level of the SAF hierarchy obviously tried to anchor anti-corporatist ideas in central parts of the political system of Sweden before SAF's board of directors, the antagonistic chief negotiator and some others among the chief officials had been given the opportunity to declare, and argue for, their positions on the point at issue.

The two mid-level activists seem, further, to have been the driving forces when the above-mentioned Implementation Group was set up in February 1985 within the SAF bureaucracy for further development of the intentions in the final report from OI (Influence of Organisations 1984d). The remarkable thing about this new constellation – in which Grafström and Redbrandt had taken seats – was that it was set up even before the final report of OI had been presented to SAF's board of directors.

Conclusions

In 1985 SAF's board of directors decided to recommend the abolition of formal interest representation in decision-making bodies of government agencies – a serious stroke against a corner pillar in the Swedish model of corporatist institutions in industrial relations. Using the method of process tracing, the aim of this article has been to test the standard hypothesis among industrial relations analysts, which stresses the leading role of the organisation's leadership in this process of policy change.

The results clearly indicate that a few individuals in the mid level of the SAF hierarchy were the most powerful actors and proponents in the policy-making process, succeeding in getting their own anti-corporatist ideas anchored into the leadership of SAF and, consequently, raised to official SAF policy.

At a first glance, the results of the mid-level officials' efforts in terms of influence on SAF policy seem rather puzzling. After all, they had to work within an overwhelmingly 'model-friendly' organisational environment, where ideas of mutual understanding with opposite parties (the central organisations of unions) and of organisations as 'deliberators' within formal, corporatist institutions were widespread. And foremost: the model had a strong hold on the leadership within SAF, which had never called into question interest representation in public authorities' boards of directors – within the labour market and working life spheres – before mid-level officials put the issue upon the internal SAF agenda.

A closer look at the policy-making process within SAF, however, reveals that the mid-level officials were controlling a dangerous weapon that could compensate for the lack of formal positions within the organisation: the flow of decision-relevant information. In fact, the mid-level officials pushing for anti-corporatist reforms belonged to a specific activist minority culture within SAF, with its main base in SAF's department of information; a department well and widely known for its skills in making effective use of different persuasion and propaganda techniques.

There are plenty of examples in the article on how the mid-level activists were deliberately biasing and controlling decision-relevant information in order to influence SAF policy. I have also shown how they succeeded in their efforts to steer the huge SAF ship in an anti-corporatist direction, at all the different stages – the phases of initiation, investigation, decision and implementation – in the policy-making process within the organisation.

Thus, from an organisational level the policy-making process seems quite irrational. Efforts were made to implement a decision not yet taken (for example when the mid-level activists tried to influence an *ad hoc* parliamentary commission without an SAF mandate to lean against). And when the decision on a change of SAF policy finally was taken, it was a decision without

any preceding discussion within SAF's board of directors (the acknowledged policy-making body within SAF). A great deal of investigative work was done on the issue of interest representation in public authorities' boards of directors, but this work was mainly done by people in SAF who from the beginning had convinced themselves what kind of recommendations the investigation ought to present. The list of examples could be made longer.

There are general insights into organisational decision making to be learnt from the case study of policy change in SAF. Loosely coupled units and the existence of subgroups within organisations which have interests and priorities other than those of the formal leadership are common phenomena in organisational life. And if individuals of those subgroups also happen to possess some skill in the art of strategic manipulation of information, they are potentially powerful actors in organisations whenever they have the opportunity to undertake investigations and other kinds of preparatory work on behalf of the organisation.

The implications for modern policy analysis are obvious. One cannot take for granted that the organisational leadership plays as dominant a role in policy-making processes as is suggested in simplistic rationalistic models of policy making. On the other hand it would be equally misleading to assume a priori that policy making resembles some garbage can process or follows some logic of appropriateness. Policy-making processes are most of the time steered by certain people. These people, however, are often mid-level officials claiming to be acknowledged and legitimate agents of change by their cover names of 'investigators' or neutral 'experts'.

ACKNOWLEDGEMENTS

The article was written with financial aid from the National Institute for Working Life, Sweden. I would also like to thank PerOla Öberg and Kaare Vernby at the Department of Government, Uppsala, and three anonymous referees for valuable comments on earlier versions of the article.

NOTES

1. The *implicit* view of a leadership-driven process of policy change is to be found in those studies that treat SAF as a homogeneous actor and which, consequently, avoid issues about power in the intra-organisational process of policy change (Pestoff 1995; Rothstein & Bergström 1999; cf. Kjellberg 1992; Lewin 1992; Crouch 1994; Öberg 1997). About policy making in general in SAF and the supposed central role of the leadership, see Bresky et al. (1981), De Geer (1986) and Jerneck (1986) (cf. Söderpalm 1976; 1980; Hansson 1984; Hansson & Lodenius 1988; Rothstein 1992; Boréus 1994; Stenlås 1998).
2. About the formal structure and the statutes of SAF see De Geer (1986).
3. The distinction between the four phases should be seen as a way to present the empirical data, trying to make sense of the process of policy making in SAF by capturing its

- main characteristics. It is regarded as an empirical question to what extent the process really follows the sequential logic suggested above. (Cf. Premfors 1989; Lindblom & Woodhouse 1993.)
4. The cultures I'll describe represent different views on the appropriate role of SAF in the political system of Sweden. These views are, further, strongly correlated with the SAF individuals' main functional tasks in the organisation. Thus, the cultural conflict I'll describe corresponds to one of the most well-known and acknowledged types of cultural conflicts in organisations. The division into three cultures and the description of these cultures is my own device, but I have also been inspired by others, foremostly De Geer (1989). The classification of an SAF individual into one of these cultures is done by me on the basis of the sources I refer to in Johansson (2000, 153–79).
 5. A more extensive account of these activist discussions is to be found in Johansson (2000).
 6. See Johansson (2000) for a discussion about central LO as the main enemy in the eyes of the SAF activists, and about the related issue of wage-earner funds.
 7. Cf. Kaarbo (1998).
 8. The study is mainly based on studies in the archives of SAF, to which I have been given unlimited access. In respect to this, I have scrutinised all protocols from meetings with SAF's board of directors and meetings with SAF's group of chief officials from 1979 up to and including 1985, all available records from the investigation in SAMPOL, 1983–1984, and the follow-up activities of the Implementation Group, and also some other SAF internal documents. Some additional information has been collected from other types of sources, which have also served as cross-checking devices in relation to inferences on the basis of documents from the archives of SAF. A systematic investigation has been accomplished with regard to all protocols from the Federation of Engineering Industries (VF's) board of directors from 1980 up to and including 1985 (some arguments for this focus on VF of all possible SAF federations are presented below in note 10), all issues of the membership journal of SAF (*SAF-tidningen*) from 1980 up to and including 1985, and the official publications from the SAF congresses (*SAF-kongressen*) that were held in 1980 and 1984. In addition to this I have also used collections of newspaper articles, debate books, semi-structured interviews, etc. in order to get a more comprehensive view of the subject. A more extensive account of the sources I draw on in my empirical analysis, and my methodological considerations in the process of selecting and, not least important, interpreting these sources, may be found in Johansson (2000).
 9. In the political process of Sweden, Royal Commissions are appointed to conduct research and make recommendations on laws. The remiss process, on the other hand, allows all interested parties to express their views on the Royal Commission's recommendations, and these views are to be considered by the government before it puts forward its proposals on laws in the Riksdag.
 10. A more extensive discussion about Grafström's role during the phase of initiation may be found in Johansson (2000), where I also discuss the role of SAF federations such as the Federation of Engineering Industries (VF), an actor that according to industrial relations analysts has been a very important agent of change in the contemporary twin issue of decentralisation of the system of wage bargaining (Elvander 1988; Swenson & Pontusson 2000), and that, consequently, could be expected to have been an agent of change also in the issue of corporatism in AMS and ASS. Having analysed all documents from meetings with VF's board of directors from 1980 up to and including 1985 (VF's board of directors 1980–1985; VF's board of directors working committee 1980–1985), and also writings from and interviews with the big man in VF, Pehr G. Gyllenhammar (interview, Gyllenhammar, November 1983; Gyllenhammar 1991), I have, however, found no evidence at all supporting the idea of VF as an important actor in the policy-making process of SAF in the issue of corporatism in 1982–1985. This conclusion is, further, wholly consistent with the picture given by the other types of sources – internal SAF documents, public sources, semi-structured interviews, etc. – I have analysed. See Johansson (2000).
 11. All Swedish sources I quote in this article have been translated by me into English.
 12. Torkel Unge.

13. The programme was to be carried out during a two-year period, 1983–1984, and consisted of three different SAF internal investigations: ‘Tendencies of Development for Unions in Western Europe’, ‘Control of Firms’ and ‘Influence of Organisations’. See Johansson (2000).
14. The programme group was composed of Grafström (who was the leader of all three investigation groups) and the three respective secretaries of the investigations, who also happened to be activists. The deliberator, who was supposed to take responsibility for the programme work among the chief officials, didn’t attend these meetings (SAMPOL 1984a; 1984b). He seems to have preferred a delegating style of leadership on these issues. For further information see Johansson (2000).
15. Lars-Gunnar Albåge.
16. Curt Nicolin.
17. Olof Ljunggren.
18. Nicolin had now been succeeded by Claes-Ulrik Winberg as chairman of SAF.
19. Pehr G. Gyllenhammar.
20. Verksledningskommittén.
21. The other chief officials were not informed until the final report from OI was on the agenda of the collegial group of chief officials, in December 1984. The antagonistic chief negotiator was very upset about that (SAF’s group of chief officials 1984).

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