



# The Pros and Cons of Swedish Socialism

BY LINDA RODRIGUEZ

At first glance, it seems like the United States and Sweden are polar opposites—one capitalist, the other socialist. But just how different are we?

IN 2009, THE UNITED STATES WAS GRIPPED BY FEAR—fear that opening the door to a government-run healthcare system might turn us into Sweden.

But what does that mean, exactly?

Swedes argue that their governing system, which marries free enterprise and a government-run welfare state, is a “third way.” They say it’s been pretty successful, building a strong nation with a resilient economy that provides its citizens with a comfortable lifestyle. In a sense, Sweden is like an expensive, all-inclusive resort. For more than 40 years, its taxes have been some of the highest in the world. Currently, the government takes about half of an average citizen’s paycheck. But you get what you pay for, and in Sweden, that’s quite a lot. Swedes enjoy access to a multitude of benefits, including free education (even at graduate-school levels), school lunches for children, a healthcare system that regularly ranks among the best in the world, and heavily subsidized childcare. Parents are given 480 days of paid leave at the birth of each child, to split between them as they see fit.

There's more. Pensions in Sweden are higher than in most other European countries, and they're "progressive," meaning that the more you make before retirement, the more you'll receive later. Unemployment benefits are also extensive. Jobless citizens are eligible for free training programs in a number of different fields. And there's no shortage of available information and technology. In November 2009, the Swedish government announced it was working on getting fast, broadband Internet access to at least 90 percent of the population.

Not surprisingly, the quality of life in Sweden consistently gets high marks. The World Economic Forum announced that it's the best country to live in for women, and Save the Children says it's the best country in which to be a mother. Quality practices at home may also translate to more charitable practices abroad. According to the Center for Global Development, Sweden has the best foreign-aid policy of all the world's richest countries.

And make no mistake; Sweden is definitely wealthy. Ever since the Social Democratic Party came to power in 1932, the government has promoted social welfare through access to things such as free education and healthcare, while still allowing for capitalism. Blessed with strong mining and forestry industries, Sweden's export-dependent economy weathered the Great Depression and remained strong during World War II (largely because Sweden remained neutral). After peace returned to the continent, Swedish industries helped to rebuild Europe and then continued to grow for most of the 20th century. According to the World Bank, Sweden has the ninth highest per-capita income in the world.

### On the Other Hand ...

The nation is not without its downsides. For starters, the Swedish system fosters certain restrictions on personal freedoms that most Americans take for granted. Consider "The Naming Law," passed in 1982, which dictates how many names one person can have (first, middle, and last only—no hyphens allowed) and prevents parents from naming their children anything that could be considered offensive. The law requires that all names be registered with the Swedish Tax Agency, which has the right to determine whether the name is up to snuff. In recent years, rejected names included Metallica, Superman, and the letter Q.

Other new laws have been rubbing citizens the wrong way. In 2001, for example, the Swedish government passed a law to

regulate the circumcision of boys, requiring that the procedure be performed under anesthetic and in the presence of a nurse or doctor. Swedish Jews and Muslims were not pleased and saw the move as impinging upon their religious rights.

Critics also claim that Sweden's welfare system is overburdened with too many hangers-on. Right now, more people than ever are on welfare. In 1970, only 11 percent of the adult Swedish population was subsisting on government handouts; by 2006, that figure had more than doubled. And the strain of that expense is beginning to show. In 2008, Swedish newspapers reported that mentally ill children were being housed with violent, mentally ill adults due to lack of funding. Another major problem is work absenteeism. There is a growing concern that Swedes are faking illnesses to reap the benefits of the extensive medical-leave program.

Some economists believe that Sweden's brand of socialism is fundamentally flawed. While it works well in the short term, it can lead to disenfranchised consumers in the long run. The more taxes the government takes, the less people are willing to spend in a consumer market, which leaves the government to prop up those flagging industries, creating a vicious cycle in the economy.

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### But How Different Is America, Really?

Even as Americans have come to fear the concept of socialism, we continue to move closer towards it—regardless of who's in the Oval Office. During the past 50 years, the role of government in the United States has gotten bigger and bigger. There was FDR's creation of Social Security, Lyndon Johnson's introduction of Medicare, Nixon's

founding of the Environmental Protection Agency and expansion of the Public Broadcasting System, Clinton's Family and Medical Leave Act, George W. Bush's No Child Left Behind, and now, major bailouts for the banking and auto industries.

The truth is, we've been edging toward Sweden for decades. And Sweden has been turning into us. During the 1990s, when the Swedish economy was stumbling, the government there realized that it was time to make some changes and encourage entrepreneurship. State-dominated industries in Sweden such as technology and telecommunications were privatized, creating new jobs and new businesses, and the government even cut back on some taxes. As it turns out, the third way and the American way may be headed in the same direction. ♡