

Book review
Modernizing the Public Sector: Scandinavian Perspectives, edited by Irvine Lapsley & Hans Knutsson
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During the last hundred years, Swedish policy has undergone at least two fundamental shifts: first, a very far reaching welfare policy and social engineering characterised by collectivism and rationalism; then an equally extreme individualism and a policy characterised by freedom of choice and competition. Despite this, it is evidently so important to maintain the myth of Swedish "moderation" and "pragmatism" that it can entirely reconcile this opposition. In fact, it constitutes the basis and substantive idea for the anthology, *Modernizing the Public Sector: Scandinavian Perspectives* (Routledge 2017, Eds. Irvine Lapsley & Hans Knutsson).

Thus the anthology's introduction, conclusion and a small number of individual chapters defend the thesis that there is a specific "Scandinavian" (though for the most part meaning "Swedish") model for New Public Management which unites the legacy of social democratic ideas, the welfare state's rationalism and market solutions under the watchword of "pragmatism". In certain cases, this thesis is repeated without substantial argument (Lapsley's introductory chapter). When the thesis is given empirical substance, it is sometimes noteworthy, for example in Tom S. Karlsson's chapter on how social democratic ideas created NPM ("Shaping NPM: Social Democratic Values at Work").

Karlsson points to the rationalisation movement of the 1950s and 1960s, where the government often regarded the organisation of private industries as a model. It is certainly correct that ideas of the rational organisation of work reduced the friction between social democracy and the private sector (this development can be traced further back, see for example Bo Sundin's historical dissertation *Ingenjörsvetenskapens tidevarv* ("The Age of Engineering")). However, the fact that industrial organisation was viewed as a model for Western governments during the postwar period is surely the rule rather than the exception – so in what way is this Swedish? Placing the rationalisation movement on a par with NPM is also stretching the term so far that it becomes diluted. Whilst Karlsson is right that NPM has historical roots in state rationalisation policies, it is nevertheless disturbing that he does not mention Göran Sundström's dissertation *Stat på villovägar* ("State Led Astray") (2003) which provides a solid account of these roots.

To be able to assert a specific Swedish or Scandinavian or Nordic model requires international comparisons which go beyond simple preconceptions. In their chapter "Auditing in a trusting climate", Åge Johnsen *et al* mention Michael Power's thesis regarding the "audit society", but never try to empirically examine, or at least comprehensively discuss, whether Power's thesis, which generalizes the control paradigm, corresponds to the Nordic cases.

Instead, a fairly limited survey is presented which the authors take as a justification for "a trusting climate". However, as long as no comparative results are presented from similar studies internationally, this conclusion has limited value.

Christine Blomqvist (in the chapter "Leadership and Strategy in a Transforming Academic Field") also claims emphatically that Sweden steers a "typical" middle course – in her case it applies to the governance of universities and the middle course concerns the route between academic discipline and overall institution: "Finding a third way seems to be the Swedish method /.../ to compromise and negotiate, can be seen as key characteristics of the Swedish culture" (p. 174). However, in Blomqvist's case there are no references to any scientific analysis for this conclusion – the reference is instead to Hofstede's rather jaded cultural studies. She has settled for looking at a few strategic documents from Lund University along with the new vice-chancellor's (who according to the author's profile she actually works for) speech. Robert Wenglén (in the chapter "Managing Profits and Professionalism in the Swedish School System") also talks about a Swedish middle way within schools policy, at the same time as he initially suggests that Sweden is unique when it comes to its system of tax funded, profit-driven actors. This is incompatible.

The assumptions regarding a Swedish or Scandinavian or Nordic model based on trust and pragmatism get in the way of the studies, assuming the character of dogma before any research has even been conducted. What would have happened if instead Sweden (or Scandinavia or the Nordic region) had been viewed as "a more general trend of globalization" (p. 165)? Without being too unkind, the antiquated notion of a Swedish/Scandinavian model was perhaps the only fundamental idea that was in evidence – for the anthology was characterised by its profoundly sprawling nature. There is a strong sense that a number of individuals have sent in whatever happened to be on their computers at this particular moment.

If we leave aside the theme of a Swedish/Scandinavian/Nordic model – is there anything of importance and value to take away from this anthology? There are a couple of chapters which dare to take a more critical perspective, primarily "Challenging the Myth of NPM in Denmark" (by Nikolaj Kure and Margit Malmose) and "What about the Boards?" (by Anna Thomasson). Criticism is not an end in itself, but by addressing a tension (in the Danish case between demands for qualitative and quantitative outcome measures; in the case of municipal boards between a general conception of low corruption and an actual reality of ambiguous and non-transparent appointments), it is also possible to better understand how public operations are currently structured around incompatible logics: for example, in Thomasson's case a democratic logic with elected party representatives on boards of directors and the corporate logic with the company's profits as the guiding philosophy and with board members having personal responsibility.

Louise Bringselius shows ("The Unfolding of Agency Autonomy over Time: the Swedish Social Insurance Agency 2003-2015") via a case study of the Swedish Social Insurance Agency's reorganisations, how the focus for such a large authority can change remarkably quickly depending on the executive management's relationship with the Government Offices, a relationship which appears in turn to be increasingly dependent on media attention. It is possible to

conceive of a situation in the future where authorities that are not scrutinised by the media will not be subject to any pressure to change either.

Finally, in a readable chapter ("Welfare Choices: a Story of Market Forces and Social Progress"), Hans Knutsson describes the development of and challenges in relation to LSS – a case which unequivocally shows how Swedish governance is currently characterised by managing incompatible logics. In the light of history, the LSS reform appears like a gigantic experiment with rights guaranteed through publicly financed but hard to control markets with incentives which differ from other markets. The picture of Sweden as a "moderate country" is not exactly confirmed in the chapter; instead, as the "LSS country", Sweden is labelled one big research laboratory.

The other chapters that deal with marketisation hardly have the same critical teeth. Whilst admittedly with some hesitation, the marketisation of the Swedish public sector is basically described as a success, even though the empirical proof is often missing. Two problematic aspects are not addressed at all in Fredrik Andersson's overview chapter "Market Solutions": firstly, the transaction costs and thus the associated bureaucracy problem, which are inherent in publicly constructed and controlled markets (well described in Ljung and Ivarsson Westerberg's study of the home help service in a district in Stockholm where there are 120 different providers, see note 1); secondly, the "race to the bottom" which risks ending up in fixed prices (or in the case of procurement, depressed prices) where profit margins lie in cutting back on personnel and quality.¹

In common with other authors in the book, the aforementioned Tom S. Karlsson plays down the shift in the late-1980s and early 1990s and instead emphasises historical continuity. The majority of authors who have analysed this period have made other choices. *The Market State* (Catrin Andersson et al, Liber 2017) describes the deregulation of the credit and foreign exchange markets starting in 1985 as "an economic-political paradigm shift for Swedish social democracy and for Sweden" (p. 32). Together with the EU's (and in due course the membership's) adoption of an almost doctrinaire (see Torbjörn Lundqvist, *Konkurrensvisionens framväxt* ("The Emergence of the Vision of Competition") Institutet för framtidsstudier 2003) market and competition regime, substantial changes have taken place at the same time as the conditions for an independent Swedish policy have been strongly circumscribed. Some of the privatisation and freedom of choice reforms that took place during the same period must be regarded as revolutionary – who could have imagined during the full flowering of the social democratic welfare state in the 1960s that just a few decades later there would be individual parents who via their choices could have control over Swedish schools!/? Regarding these experiments too – the case of LSS has been mentioned above – it is change rather than continuity that is at centre stage, but given its narrow focus, this anthology provides few contributions to such research.

Notes

¹ The latter seems to have been the case in many of the markets: for pharmacies, see Kristin Wisell et al "Stakeholders' Expectations and Perceived Effects of the Pharmacy Ownership Liberalization Reform in Sweden: A Qualitative Interview Study, *BMC Health Services Research* 16:379 (2016); for the home help service, see Thomas Ljung & Anders Ivarsson Westerberg: "När målstyrning blev detaljstyrning", Förvaltningsakademin 2017; for schools, see the Swedish National Agency for Education: "Redovisning av uppdrag om hur stor del av undervisningen som bedrivs av behöriga lärare" (2014).