Governing Welfare
The Third Sector and the Challenges to the Swedish Welfare State

Abstract
The overall issue addressed in this thesis is the challenges to the Swedish welfare state. This topic has been the subject of several different interpretations in the academic as well as political debate in Sweden over the last decade. The first of two questions raised in this thesis is therefore what the main challenges to the Swedish welfare state are. It is concluded that the main challenges are the chalanges to the representative democracy that originate in measures to meet the economic challenges to the Swedish welfare state by making it more efficient and rational. The main challenges to the Swedish welfare state are, therefore, a mix of interrelated economic and democratic challenges. A specific factor is tested for its possible impact on these challenges and that factor is third sector provision of welfare services. The second of the two research questions is therefore in what way and to what extent the third sector can influence how the identified challenges affect the welfare state. Childcare is selected as an example of a welfare service where there are a considerable proportion of third sector providers, primarily parent and worker cooperatives. The diversity, level of participation and service quality of different types of childcare is analysed with regard to how they affect the here presented challenges to the welfare state. It is concluded from this analysis that there are democratic benefits in the third sector provision of childcare that can act complementary to the challenged representative democracy. It is also concluded, however, that not all Swedish childcare can be provided by the third sector and that its democratic benefits therefore also should be produced by other types of childcare by imitating the third sectors active participation, small scale and independence. This study shows that Sweden is rapidly moving towards a greater diversity in its delivery of welfare service and that there are no policies or institutions for facilitating a more diverse service provision. An additional conclusion is for this reason that the outcome of the economic and democratic challenges varies with the direction of this diversification, which tells us that such policies and institutions are desirable. The Swedish welfare state will be getting a more diverse provision of welfare services regardless if there is any readiness for it or not and the results from this thesis show that the third sector is the non-public type of welfare provider that best facilitate the values and morals of the welfare state.

Keywords: Welfare State, Third Sector, Childcare, Challenges to the Welfare State, Civil Society
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Part I: Topics in the Swedish welfare state
1. Introduction

Sweden has become a textbook example of a universal welfare state based on a large public sector, high taxes and universal welfare services. This perception of Sweden has proven very persistent and influential, reaching far beyond the country’s borders. Sweden is often considered a place where all, or most of, the citizens’ personal and social needs are addressed by the public sector. Social services such as healthcare, elder care and childcare are certainly considered as being in the realm of the state. Irish sociologist Evelyn Mahon described the Swedish welfare state as signified by “high quality public service that preempts the need of complementing private solutions” (Bergqvist and Nyberg 2001, p.263).

The Swedish welfare state would thereby, according to Mahon and many others, be so all encompassing as to make any further need for social services redundant. The welfare state would, in other words, close the market of private initiatives for social services by satisfying all of the existing demands for these services. This view of the Swedish welfare model would seem to correspond to Voltaire’s notion that a well-governed society has no need for voluntary associations since the state has in its power to regulate society in a manner that secures the rights and needs of its citizens (Zetterberg 1995, p.73). This description of the Swedish welfare state is a bit one-dimensional but it is far from unfounded, at least from a historical perspective. The description above provides a fair, if crude, estimate of the Swedish welfare state in the 1970’s and 80’s. Since 1970 Sweden has spent a larger percentage of its national income on welfare services than any other country in the western world (Ginsburg 2001, p.196). The Swedish welfare state has been governed by both Social Democrats and bourgeois governments, which regardless of ideological differences have pursued ambitious policies aimed at reducing social inequality (Uddhammar 1993).

To better understand diversity in the Swedish welfare state one should consider the past, the present and the future of Sweden. The past can be represented by the time around 1980, when Swedish welfare services were provided by the public sector to a very large degree. Some alternative service providers existed, but they lacked real significance for the welfare state as a whole. The present may be set around the current year (2007) when the public sector
is still the dominant service provider - with, however, a small part of the welfare services provided by the third sector, especially in the area of childcare. The biggest difference between 1980 and 2007 is the steady gain made by the for-profit sector as a provider of welfare services, especially in areas like schools and elder care (SOU 2007:37). The for-profit sector is today the largest non-public type of service provider if one considers the welfare services as a whole. The future exists in two possible versions with regard to this development. One version is a continuation of the development between 1980 and 2007, which would mean the for-profit sector becoming the primary provider of welfare services, the third sector remaining limited and the role of the public sector reduced to guaranteeing services in non-profitable areas or for non-profitable users. A second version would have a growing third sector instead of a growing for-profit sector. The principal difference between these two versions is that the first implies replacing democratically controlled services with services motivated by profit-seeking, while the second implies replacing the services controlled by representative democracy with services democratically governed by the users and/or the service-providing staff. The difference is, in other words, between removing democratic control and providing a new channel for democratic influence that can revitalize and strengthen a representative democracy faced with democratic and economic challenges. The version of the future of the Swedish welfare state based on the third sector would require a very determined political effort to be implemented, while the other version is the reasonable consequence of today’s failure to recognize the full range of alternatives that are available for the provision of welfare services.

The traditionalist views on welfare provision are very much alive today, in spite of the changes in the Swedish welfare state described above. Private provision of welfare services is not such a rare occurrence these days. Private agents are especially noteworthy in some areas of welfare - although most still are dominated by the public sector. Childcare is one area in which the development towards diversification has been especially significant. The number of non-public childcare providers more than tripled between the years 1988 and 1994 and the number of children attending them quadrupled during the same period. The non-public actors today provide for 19% of the children enrolled in preschools in Sweden; the figure is twice as high if one looks specifically at the major urban areas in Sweden (Pestoff et al. 2004).
Recent figures from Statistics Sweden reveal that parent cooperatives constitute 44% of the non-public childcare sector while the for-profit preschool makes up just over 20%. Another 20% of the non-public preschools belong to a highly diverse category with actors like the Church of Sweden and other non-profit organizations. The remaining percentage is composed primarily of worker cooperatives (SOU 2007:37, p.93).

The Swedish welfare state has experienced an asymmetrical structural change in the last 15-20 years. By this is meant that the political and administrative levels of the welfare state remained relatively unchanged over the years, while the “lowest” level, the service level changed in the field of childcare (but not necessarily in other professional fields). This is a very simple conceptual model that can be illustrated like this:

**Figure 1.1 Change in the welfare state**

<table>
<thead>
<tr>
<th>Levels in welfare state</th>
<th>Change over time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Political level</td>
<td>No change</td>
</tr>
<tr>
<td>Administrative level</td>
<td></td>
</tr>
<tr>
<td>Service level</td>
<td>Change</td>
</tr>
</tbody>
</table>

Source: Vamstad 2004

It will be seen that in the case of childcare, the political and administrative levels remain largely unchanged over time, whereas at the service level the provision of childcare has inclined towards a higher level of diversity. This change means, in practical terms, that the political leadership and the bureaucratic professionals have not adapted to the changing conditions among the service providers they supervise and administrate.

In the present study I attempt to analyze the role of the third sector in the Swedish welfare state, in light of the assumed challenges that face the Swedish Welfare State. I contend that the Swedish welfare state is facing challenges and the path chosen for addressing that case is one of third sector welfare solutions. The core questions of this study are therefore twofold:

1. What are the main challenges to the Swedish welfare state?
2. In what way and to what extent can the third sector influence how such challenges affect the welfare state?
The challenges that are studied here are democratic and economic, not because these two types are the only challenges to the welfare state but because they are considered the most important. There may well be social, cultural, environmental and other challenges to the Swedish welfare state, but I will not undertake to address them here. To include these other types of challenges would render any real analysis impossible simply because the object of analysis would be too inconsistent. Bo Rothstein listed what he considered to be the seven main challenges to the welfare state in 1994. These were:

1. The economic crisis
2. Flawed economic incentives created by universal benefits
3. Reduced capability of activist politics
4. Changes in values among the general public
5. Less universality in service provision
6. Higher diversity among service providers
7. Political opposition

These challenges, which were identified fifteen years ago, are, with the possible exception of number four, all democratic/political or economic/financial. Several of them may have lost some of their urgency, perhaps especially number one and seven, but they still appear relevant today. The economic crisis of the early 1990’s has recently changed into what is the strongest Swedish economy since the early 1970’s. The political opposition among certain interest groups is probably as strong now as it was when Rothstein listed his challenges, but the current center-right government seems to have embraced the universal welfare model and its universal service provision. Just days after the Social Democrats had lost the parliamentary election, Rothstein observed in the Swedish daily newspaper *Dagens Nyheter*, that the loss was in fact a great ideological victory for the Social Democrats since the center-right coalition had won through adopting classic social democratic politics (*Dagens Nyheter* 2006-09-20). However, both political opinion and the economic situation go in cycles and there is therefore no reason to disregard Rothstein’s challenges number one and seven permanently.
Challenge number two, three and five reflect the ideological debate of the early 1990’s, when the function of the Swedish welfare model was questioned. The Swedish welfare model survived the economic crisis with its function intact and the argument that the model in itself is flawed is not heard as frequently today as when Rothstein made his list (SOU 2001:52). Challenge number four refers to a general shift from “collectivism” to “individualism” in society as a whole, but little substantive proof of such a shift is available today. Svallfors shows that the universal welfare state remains very popular in Sweden, regardless of whether people have become more individualistic or not (Svallfors 1996). Challenge number six is very relevant today. Diversity is a challenge that is at the center of the present study and one of my main conclusions is that Sweden has not accepted or even recognized this challenge. Rothstein does not bring up the retrenchment of representative democracy as a challenge. Although this challenge has been growing for several decades, it has become more acute with recent renewed calls for rationalization and centralization of the Swedish political system. Just as Rothstein’s list was influenced by the economic concerns of that time, I feel bound to bring up the question of the retrenchment of representative democracy here. However, what the main challenges to the welfare state presented here and the ones noted by Rothstein in 1994 have in common is that on a general level they are almost exclusively democratic and economic.

The perhaps most well known challenge to the welfare state concerns demographic changes and the subsequent financial strains. It is a widely held belief that an ageing population and eroding tax base will make the universal Swedish model for a welfare state impossible to support, and that this will lead to radical changes in its organization. The democratic type of challenge to the welfare state is a less concrete but none-the-less significant one. The Swedish welfare state has since its origin continuously promoted professionalization or “rationalization” of the social services, at the expense of elected representatives. The number of elected officials has to date dropped to a fraction of what it was in the 1950’s, while the number of civil servants and administrators has doubled many times over. Meanwhile, the voter turnout in general elections for the decreasing number of elected offices that remain has dropped in recent elections, even if it still remains at a relatively high level seen in an
international comparison. All in all, the Swedish welfare state is experiencing a growing democratic deficit, which is a challenge that is not usually addressed as openly as the economic challenge. It is, however, essential to consider both when analyzing the role of the third sector in the future of the welfare state as they are interrelated.

The distinction between economic and democratic challenges is inspired by the well-known division in political science between issues dealing with policy and politics. In many subcategories of political science it is relevant to distinguish between policy and politics, if for no other reason than for the sake of the researcher, who might want to keep a clear focus on what he or she is studying. Politics and policy are founded on two different principles, where politics refers to the political process itself and political structures, or “formal politics”, while policy is the ideologically based content of the political process. This general division rests on the same grounds as the division between economic and democratic challenges. By nature, economic challenges involve both process and structure and they are what one might call “formal” - that is, due to recognizable, observable and publicly sanctioned phenomena. Democratic challenges relate to the “content” of the welfare state, the ideology, morals and principles that shape Swedish democracy. The economic and democratic challenges are of course heavily entwined and it is, as often with policy and politics, almost impossible to study one without considering the other.

Economic and democratic challenges can also be seen in terms of being direct or indirect. The economic challenges to the welfare state are very explicit and direct in their effect; people will undoubtedly get older and this will undoubtedly put financial strain on the welfare systems. This financial strain will in turn have to be addressed directly by the current and future governments. In Sweden, the economic challenges will lead to further efforts to make the welfare state more efficient, which will have the indirect effect of further reducing the representative element in Swedish democracy, thus creating, or reinforcing, new, democratic challenges. This theory of the relation between economic and democratic challenges is not immediately apparent, which is why a great deal of effort is spent to establish a case for it here.
Why choose childcare as a specific subject area when considering such a complex phenomena as the challenges to the Swedish welfare state, why not try several different fields? The answer to this is simple: it is an intentional, normative choice. The issue of the challenges to the welfare state is not merely complicated; it is so complex that one cannot test all possible solutions at the same time. Instead I explore one possible path - one of many - knowing that this limits the compass of my study. Choosing the third sector as an object of study means that I must face the question of why one should choose to address the challenges to the welfare with third sector solutions. This “should” question is a normative one; I must, in other words take a normative stand and explain not only how but also why the third sector is relevant, from this standpoint. To explore one particular field without explaining why this one and not all the other possible fields should be explored, is not only un-pedagogical, it can also be misleading since it presumes the relevance of the field without clearly stating it. This opens for the possibility that the field of study is actually not relevant at all.

Another answer to this question is that the present study also has an explorative element to it; the role of the third sector is investigated simply because it has not often been put in relation to the challenges of the welfare state before – at least not by itself. Different third sector alternatives are sometimes mentioned in discussions of future welfare production but there is no extensive study where the full potential of the third sector is evaluated vis-à-vis the Swedish welfare state and its challenges. This study should therefore be seen not as a one sided presentation of just one possible subject area but a complementary study aimed at systematically adding third sector contributions to the collected bulk of welfare research, where they have previously been lacking.

Esping-Andersen describes the situation of the welfare state as one where societal change has made the traditional conceptions of it obsolete: “Contemporary welfare states […] have their origins in, and mirror, a society that no longer obtains” (Hacker 2004, p.244). What Esping-Andersen describes is quite similar to the changes on different levels of the Swedish welfare state. He describes the lasting structures of the now relatively old welfare state where the perceptions of the welfare state comprise one such structure. In line with Esping-Andersen, I
shall also show that other structures remain strong despite the fact that the fundamental principle of universality no longer holds. The “breakers” of this principle, the non-public providers of welfare services, and their existence in conflict with above-mentioned structures are at the core of this research.

The underlying assumption here is therefore that the changing conditions at the service level of the Swedish welfare state in the field of childcare have not caused any real regime change at the administrative and political levels, or even an adaptation to accommodate the non-public providers of childcare. The Swedish welfare state is founded on a system such as the one Mahon described earlier and there have been no real changes in the way the welfare services are governed despite the recent increase in diversity. The Swedish welfare regime is still designed according to a traditional centralized structure, in spite of increasing levels of private initiative, which makes private actors an anomaly in the Swedish system. The structure of the Swedish welfare system has, in other words, not adapted to include private actors even though they constitute an increasingly important part of the total provision of welfare services in some fields.

In Chapter Two I present the relevant theoretical considerations for the questions posed here and provide the rationale behind the choice of childcare as an object of study for understanding the challenges to the welfare state and the third sector’s potential for altering their impact. To put such a strong focus on a single welfare service naturally raises the question of how childcare relates to other welfare services. I also go through a range of possible definitions of the third sector and try in a similar manner to fill the concept “welfare state” with a meaningful content. This chapter further theorizes the welfare state while describing how the Swedish public debate focuses almost exclusively on the public and the market sectors without considering the third sector as a viable alternative. The third sector in the Swedish welfare state provides a paradox in that it is very large in areas like the labor market, sports and culture, yet very small in areas having to do with the actual provision of the welfare services. The theoretical background for these circumstances is presented in Chapter Two.
All methodological concerns, both those having to do with research design and those related to actual techniques, are discussed in Chapter Three. In Chapter Four I outline challenges to the welfare state, both the democratic and the economic and follow the presentation of each with a short conclusion. The history of childcare in Sweden and a presentation of political developments as well as the developments in the debate on non-public provision of childcare comprise the contents of Chapter Five and chapter six is a description of Swedish childcare today.

Chapters Seven to Nine are focused on childcare in Sweden and they are largely based on interview material and surveys collected between 2003 and 2007. The empirical material is divided into three themes, one for each chapter. The theme in Chapter Seven is “diversity”; the theme in Chapter Eight is “participation” and in Chapter Nine, “service quality”. Through combining in-depth qualitative interviews and quantitative material I would make three central points: that the third sector is not formally included in the Swedish welfare model - and that it could be helpful for the democratic and economic challenges if it was - but also that the childcare provision in the third sector is of as high quality as the same kind of childcare provided in other organizational types. The last point is not least important when addressing the possibility that withdrawing from professionalized public welfare production might mean lowering the quality of the provided services. My final conclusions are presented in Chapter Ten and they include answers to the two research questions presented in this chapter as well as a few constructive ideas and policy proposals.
2. Theoretical considerations

This chapter introduces the defining theories of the Swedish welfare state in general and the third sector and the childcare sector in particular. Special attention will be given to the defining values and principles of the Swedish welfare state while the structural arrangements are presented briefly here and in more detail in the empirical chapters. The third sector and the field of childcare will be given functional definitions that provide a foundation for the analysis in the following chapters.

2.1 Defining the Swedish welfare state

Welfare state politics is an area that is unusually full of difficult, overlapping and often vague concepts, even when compared to other social science research fields. It is therefore essential to provide some pragmatic definitions. These definitions are not general definitions; they should rather be seen as a “declaration of intent” regarding how the various concepts will be used here. This relativistic approach both recognizes the fact that absolute definitions are at best rare and endeavors to keep the study focused on the questions at hand rather than to drift off into the philosophical quagmire of academic debate on terminology. The definitions given here provide, in other words, guidance for the remainder of this study but that is all; there is no insistence on furthering the theoretical discussion in the research field as a whole. This is not to say, however, that these definitions are obscure or lack relation to other relevant research.

It might at first seem at bit excessive to define the object of study as a whole, especially since the study of the welfare state in itself is a form of definition. The Swedish welfare state is rather simple to define at an instrumental level: it is the political and administrative model that has developed in Sweden since the Second World War. However, this definition is not sufficient. It is possible to separate the structural aspects of the welfare state from its values and principles. It is suggested below that the values and principles of the Swedish welfare state can be maintained even when the structures change. We therefore need to explore what the defining principles and characteristics of the Swedish welfare state are: what is the welfare state’s content and what is its structure?
In order to define the Swedish welfare state one can ask what are its ambitions? What does it mean to preserve the Swedish welfare state, what are the values at stake? Before investigating the politics of diversity in the welfare state, one must consider what kind of framework for diversity it provides. So far, little attention has been given the question of how to govern diversity in the Swedish welfare state simply because of the homogeneity that signified the Swedish welfare system until quite recently. There are two possible ways of defining the Swedish welfare state with regard to diversity in the provision of services. Firstly, one can choose to look at the Swedish welfare state as a function of the present system where the manner in which welfare services are provided helps to define the welfare state itself. Huber and Stephens point out that what really separates the Swedish welfare state from other forms of welfare is the fact that it is both publicly funded and publicly run, which means defining the welfare state by its function (Huber and Stephens 2001, p. 92-93). Secondly, one can adopt a more theoretical perspective in which the welfare state is defined by certain morals and values, or guidelines, which can be achieved by a variety of means, allowing diversity in the provision of welfare services. The second definition is, for obvious reasons, more relevant here.

What then are the values and principles of the Swedish welfare state? Before answering this one has to take another question into consideration: what is so Swedish about the Swedish welfare state? The answer to this question is most likely “not that much”. Much of what we now think of as being integrated parts of the Swedish welfare state are in fact results of influences from mainly other European countries. Many of the defining principles and characteristics are therefore not exclusively Swedish. There are, however, some salient characteristics that define a few different types of welfare states, or welfare regimes.

The theories of welfare regimes cannot be addressed without naming Danish sociologist Gösta Esping-Andersen. Esping-Andersen is the man behind the perhaps most quoted typology of welfare states. He recognizes three categories:
The liberal welfare state. A welfare state defined by means-tested assistance, modest universal transfers or modest social insurance plans. Entitlement for welfare is limited to the most needy, which gives some level of social stigma to the benefits. The liberal welfare state does not seek to fulfill any political agendas for social rights or equality. Typical examples: The United States of America and Australia.

The corporatist welfare state. A largely conservative welfare state, which focuses on upholding rights according to status and class. The corporatist welfare state does not share the liberal welfare states emphasis on market distribution, but there is no real ambition to level social inequalities by economic redistribution either. There is a common affiliation with the church and church-based institutions in these welfare states, which gives an orientation towards conservative “family values” in issues concerning women working, childcare and such. Typical examples: Germany and Austria

The social democratic welfare state. A welfare state defined by universalism and de-commodification of social rights. The social democratic welfare state pursues universal welfare rights at the highest possible standard for everybody, rather than the equality of minimal needs seen in other welfare models. There is a conscious political ambition for leveling social inequalities by state action in the form of interventionist financial policies and social reforms. Typical examples: Sweden and other the other Scandinavian countries (Esping-Andersen 1990, p.26-28)

Esping-Andersen’s typology is perhaps the most commonly used and thereby one of the most scrutinized by peers in the academic world. Castles and Mitchell, for instance, argue that his “liberal” category is in fact a combination of two different regimes. They differentiate between a truly liberal regime, where taxation is low and economic redistribution negligible and countries such as Australia, where taxes are low and social benefits modest but equal. The latter group has low income taxes but high capital taxes and often also a considerable
labor movement (Svallfors 2004, p. 499). Esping-Andersen’s typology of the three welfare regimes is, in spite of objections like these, widely recognized as being able to provide at least a basic categorization of the different types of welfare states in the world.

The question of why countries come to adopt different welfare regimes is addressed by Berggren and Trägårdh. They argue that the different welfare regimes involve coalitions between the three components - individual, family and state. The liberal welfare regime is a coalition between individual and family against the state (as in the USA); the corporatist regime is a coalition between state and family against the individual (as in Germany) and the social democratic regime is a coalition between individual and state against family (as in Sweden) (Berggren and Trägårdh 2006, p.256). The formation of these coalitions is the result of social, cultural and economic traditions that work differently depending on the countries’ historical circumstances. Sweden has a long history of sovereign peasants due to the difficulties in controlling such a vast and sparsely populated country, which has spurred the formation of a cultural identity that celebrates independence and resourceful self-sufficiency (Berggren and Trägårdh 2006). Self-sufficiency in the agrarian society of sovereign peasants meant independence from the family farm, which explains why state institutions in Sweden came to be viewed as a coalition partner for individuals in their struggle to cast off ties to their families and hence gain independence. Cultural norms change very slowly, which is why the coalition held even after the industrialization of Sweden and why Sweden came to adopt what Esping-Andersen calls the social democratic welfare regime (Berggren and Trägårdh 2006). It is, however, appropriate to reiterate that few or no welfare states are completely free from influences from welfare regimes other than the one they belong to, according to Esping-Andersen.

2.1.1 Values and principles of the Swedish welfare state

Rothstein mentions four political characteristics that have shaped the Swedish welfare state, the first being the already discussed preference for the public sector as a service provider. The second characteristic is the obligatory social security insurance tied to the level of involvement in working life. Rothstein’s third characteristic is the universal welfare benefits covering all Swedish citizens regardless of social class. The fourth element in Rothstein’s
description of the Swedish welfare state is the additional means tested welfare benefits and special efforts aimed at specific marginalized groups in Swedish society\(^1\) (Rothstein 1994, p.25).

Sweden is well known internationally for its high taxes and extensive spending on welfare services. These two characteristics, high taxes and generous spending, are indeed fundamental for defining the Swedish welfare state, but they say little about the actual nature of the services provided since the welfare state is not about high taxes and spending per se. Lindbom (2001) captures this discrepancy between the structural characteristics that define the welfare state and those that do not when addressing the question whether the Swedish welfare state has “lost its defining characteristics” (Lindbom 2001). Lindbom focuses less on taxes and spending in themselves and more on other structural, defining characteristics like reliance on means tested benefits, privatization of major social programs, radical reductions of benefits and tightening of eligibility rules (Lindbom 2001, p.173). He concludes that the reforms of the 1990’s have not led to a dismantling of the Swedish welfare state nor has it lost its “distinctive attributes”. This is seen the fact that the Swedish welfare programs still perform their “traditional roles” with regard to the above-mentioned defining characteristics (means tested benefits etc.) (Lindbom 2001, p.173-174).

Another fundamental characteristic of the Swedish welfare state is its very extensive public support: the Swedish welfare state is, for lack of a better word, very popular. Svallfors surveys and analyzes Swedish people’s attitude towards the welfare state and finds a strong pattern of positive views of the political system (Svallfors 1996). This is clearly a relevant characteristic, especially since the expansion of the welfare state would have hardly been possible if not for a strong mandate from the people and continued popular support for its main architect, the Social Democratic Party. The extent of the welfare state reflects, in a way, the extent of the support for the welfare system and it is because of this popular support that the Swedish welfare model is often thought of as a regime.

\(^1\) The means tested benefits are of course not typically Swedish in themselves but through their coexistence with universal benefits.
Esping-Andersen expresses understanding for the fact that the Swedish welfare state and social democracy are concepts that are sometimes used interchangeably. The Swedish welfare state and Swedish social democracy share a mutual history and the welfare state is for natural reasons shaped by social democratic ideals. Esping-Anderson makes clear, however, that the Swedish welfare model is rooted deeply in Swedish history, beyond what can be explained by Social Democratic influence. The special nature of the Swedish welfare state can, in other words, not be explained as being shaped by social democracy alone. The characteristics of the Swedish welfare sector are, according to Esping-Andersen: universalism, equality, strong social rights of citizens, and on top of that, high efficiency (Esping-Andersen 1994, p.75). Lagergren seeks the political ideas behind the welfare state far back in Swedish history. She suggests that the Swedish model stems from a general inclination towards collectivism, which according to her is the ideology behind the folkhem ("people’s home"), or the social democratic origin of the Swedish welfare state (Lagergren 1999, p.122-123). Interestingly enough, Berggren and Trägårdh reach the opposite conclusion, claiming that the universal welfare model is a system aimed at granting every Swede his or her much sought after independence. Their argument is that by providing services and benefits from an impersonal collective as an entitlement, the Swedish citizen is emancipated from economic and social obligations to their surroundings. They are, for instance, not dependent on their family for support during periods without gainful employment; even Swedish youth and in many cases children have access to a governmental youth or child allowance, which gives at least some economic independence. (Berggren and Trädgårdh 2006). Their conclusions are thought- provoking and attractive since empirical illustrations are plentiful and immediately accessible. It is, for instance, clear that a Swedish university student benefiting from the tuition-free Swedish university system and universal study aid program has a much higher degree of personal sovereignty than the American student who has to rely on scholarships, part time work or parents, who in spite of the student’s age, control, to a large extent, his or her economic situation.

Ginsburg brings up the determined efforts to fight class as well as gender inequalities as another characteristic of the Swedish welfare state and he too seems to argue that the Swedish welfare state has evolved gradually from long before the Social Democratic era
(Ginsburg 1999, p.196-197). Korpi points out that the early welfare strategies in Sweden were not just aimed at fighting poverty but also at doing it in a way that was not stigmatizing. Korpi argues that this is a leading principle in Swedish welfare - that welfare services are the citizen’s rights rather than favors given to them (Korpi 1990, p.314). Korpi sees the welfare state as a way to democratize the economy, which, according to him, was a natural goal especially for the Social Democrats after political democracy was established. The welfare state should, in other words, be seen as a continuation of the Swedish democratization into the economic sphere (Korpi 1982, p.3). Peterson adds an interesting dimension to the discussion by introducing the concept of trust. He argues that trust in political institutions is a fundamental part of the Swedish welfare state, even if he sees it as a prerequisite rather than a goal in the welfare system (as with “collectivism” in Lagergren’s theory). One of his examples is that the murder of Prime Minister Olof Palme dented the Swedes trust in public authorities, which in turn shook the entire welfare system. Peterson also brings up “dualism” as a Swedish characteristic, arguing that the pragmatic willingness to emphasize both local and central institutions, both collectivism and capitalism, in a spirit of compromise is something that signifies the Swedish welfare state (Peterson 1999, p.43-45). These are some of the most common morals and values described by researchers on the subject. The most central concepts are universalism, equality (class and gender), social rights (rather than benefits) and democracy (political and economic). These concepts work in a society with an embedded sense of trust in the state to produce the special kind of welfare state that has developed in Sweden.

2.1.2 How traditional is the Swedish welfare state today?

There has been significant debate about whether or not the traditional Swedish welfare state in its “true form” still exists. The answer to that question depends, of course, on the definition of “traditional welfare state”, but by most definitions the answer is “yes”. The Swedish welfare state has, as noted above, experienced growing diversification at the level of social service provision. There are quite a few non-public service providers today, even if they are still too few to completely change the character of the welfare model. The Swedish welfare state has included them economically in the model by granting them public funding on the same conditions as their public counterparts, but the present research will show that
this inclusion has not moved much further and attempts have been made to eliminate their inclusion. The Swedish welfare model is, in other words, structured much the same way it was in the 60’s and 70’s in spite of the new forms of welfare provision. Another debate concerns the compass, or extent of the Swedish welfare state. It is a common belief that the years of financial strain in the early 1990’s reduced the Swedish welfare state to something other than the universal model for economic redistribution that it once was. However, this assessment is not entirely accurate. The cutbacks in social services that were made in the early 1990’s were generally compensated by renewed public funding in the late 1990’s, as shown by the extensive report presented to the Swedish government in 2001, the Väljärdsbokslut (Welfare Balance Sheet) (SOU 2001:52). The renewed public spending was in some cases merely an increase in public spending, as in the school system, while in the case of services like childcare, the new funding was spent on reforms that expanded public involvement in the service beyond any previous level. The question of quality in the welfare services remains a lively debate and many seem to think that the services have deteriorated in quality. This might very well be true, but if so, it is not due to the lack of overall spending.

The reliance on public spending as a measure of change in the welfare state is challenged by Lindbom. He is one of the few Swedish political scientists who has tried to test changes in the character of the welfare state rather than just note public spending or the size of the public sector. Change in character is naturally more difficult to measure than change in economics or numbers. One of the great merits of Lindbom’s study is that he measures change in character through such quantifiable data as reliance on means tested benefits and not simply on hermeneutic reasoning about whether things are like they used to be. He concludes that not only is the Swedish welfare state as far-reaching as ever, it is also as “social democratic” as ever regarding the character of welfare services (Lindbom 2001).

Blomqvist (2004) also looks at change in character of the welfare state but comes to a different conclusion from Lindbom’s. She sees the opening up to “private” alternatives as a break with the traditional Swedish welfare model, regardless of the size of public spending or universality of social services. To Blomqvist there is an interchangeable relationship between uniform, high-quality services provided on equal terms to all citizens and provision
by the public sector. She does not consider it possible to have uniform, high-quality service provided by anyone other than the public sector, not even by the users themselves. Like Lindbom she focuses on the social democratic character of the welfare state rather than spending, but this character is in her opinion dependent on the fact that all services are provided by the public sector. She argues that many who discuss welfare state retrenchment miss the point by concentrating on the size of the public sector, the spending or even the availability of services. However, according to Blomqvist, it is the growth of non-public service alternatives in itself that has done away with the “people’s home” or the traditional social democratic welfare state (Blomqvist 2004, p.138-139).

Diversity, participation and service quality are scrutinized more closely below. Chapter Eight contains the empirical findings on the topic of participation and the purpose here is to decide whether provision of childcare services by the third sector has any beneficial effects on the welfare state’s democratic input. Chapter Nine will, in turn, present the empirical findings on the topic of service quality in order to explore whether or not the greater diversity among providers of childcare contributes to lowering the quality of the welfare state’s output. The Swedish welfare state is founded on both a strong democratic mandate and expectations of high quality in the universal welfare service provision. The preservation of these two fundamental characteristics must be closely related to the nature of the Swedish welfare state as a whole. If these characteristics should prove to be as well or even better preserved by the third sector provision, Blomqvist’s point of view would be questionable.

Pestoff (2005) addresses Blomqvist’s reasoning by pointing to her failure to distinguish between for-profit and third sector service providers. He argues that the third sector organizations are run according to the same principles of egalitarianism and universalism as the public sector - maybe even to a larger degree. Blomqvist thereby fails to recognize the potential for the democratic rejuvenation of the welfare state, the potential for rediscovering the traditional values of the welfare state in a new source (Pestoff 2005, p.54-55). Furthermore, Pestoff argues that Blomqvist lacks a nuanced understanding of service quality. Blomqvist seems to mean that service quality is something constant whereas Pestoff has a dynamic definition in which quality is attained through communication between the
caregiver and the receiver of the care. This communication is greater and more direct in third sector welfare provision (Pestoff 2005, p.55).

This debate has implications for how we are to understand the concepts of “diversity” and “universality”. A universal welfare state is, according to Blomqvist, a welfare state with a small amount of diversity among its providers of childcare. Universality is, in other words, synonymous with homogeneity, or lack of diversity. A universal welfare state is, however, understood differently by those who agree with Pestoff in the debate presented above. Universality refers to the access to the service, regardless of type of provider, according to this point of view. It is, in other words possible to have great diversity and still a universal welfare state. One of the underlying understandings of the present study is that the diversity among welfare services is growing and that universality can be retained; but also that it is of great importance how we govern this diversity and whether the new non-public providers are for-profit or in the third sector.

The term “welfare state” is in some academic fields considered an antiquated leftover from the early stages of the “Swedish model”. Many would replace it with the new term, “welfare society”, a phrase that implies a broader view of welfare, including both public and non-public providers, but also formal and informal welfare. The term welfare state is not considered antiquated in the present study, since it is understood that the traditional Swedish welfare model in many respects is alive, even if not entirely well. In fact, much of the point is that the third sector is an odd element in the otherwise homogeneous Swedish welfare state, where the emphasis is on “state”. The advocates of the term “welfare society” often makes the valid point that most of the social work in Sweden is carried out informally by unpaid persons in some sort of a relation to the person receiving the help or care in question². This might be true, but the present study focuses on formal care in the public and third sector. To compare formal childcare providers in the public sector with informal childcare provided by, for instance grandmothers and grandfathers, would be to challenge the welfare state as such. The principle is to compare two things that are comparable, but belonging to different sectors. To dismantle the formal welfare services and face the

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² Even if help and care performed within a household is often excluded from the welfare society equation.
previously mentioned challenges to the welfare state through a lower level of organized, high quality services would be not to face the challenges at all but rather to give in to them. This is not what is suggested: less public sector should not mean less or even fundamentally different formal welfare services. The question here is whether one can benefit from the third sector in preserving the welfare state, not dismantling it. The term “welfare society” has a nice ring to it and maybe it is such a society we need to maintain our high standard of living, but it does not benefit this kind of study to think that we are living in one already today.

2.1.3 The dualistic private/public typology

Theories of modern society use several possible categorizations and divisions. Dahlkvist suggests that some social scientists differentiate between state, market and civil society while others simply divide society between private and public (Dahlkvist 1995, p.153-154). The present study argues that the latter categorization is not only predominant in Sweden, but that it also explains many of the difficulties for the third sector to be included in the formal as well as the informal structure of the welfare state. The discussion of different forms of provision of welfare services in Sweden is typically conducted in terms of public sector versus private sector, where “private” sector is often treated interchangeably with “for-profit”. Any generalization of the non-public as being typically for-profit or non-profit is a grave misconception: the “private” is highly heterogeneous. One of the general assumptions in this chapter is that the heterogeneity of the “private” category is just too great to make it relevant.

The private/public typology is especially misleading with regards to the definition of the user, or the “client”. The role of the user is a key issue when distinguishing welfare sectors from each other. Alford goes a long way towards explaining the principal differences between users or customers in the various categories. He argues that there are two aspects of being a customer. First, the customer expresses a preference in his or her choice of service and by doing so decides what sort of services will be provided. The second aspect of being a “customer” is to privately consume and benefit from the provided service. Alford distinguishes between the public and non-public sector by arguing that both aspects of being a customer are available for each of the users in the “private” sector, while the “public”
sector locates the first aspect of being a customer with the “citizen” and the second with the “client”. The difference between the sectors is, in other words, that the “private” sector leaves both the shaping of the provision as well as the actual consumption of the provided service in the hands of the users/customers, while the “public” sector forms the provision of services according to political preferences among the citizens, separate from the actual consumption of the service (Alford 2002, p.337-338). The obvious limitation in Alford’s differentiation is that he only makes the distinction between “public” and “private”, where “private” equals for-profit. This chapter will build on Alford’s theory of the two aspects of being a customer but extend it to encompass the third sector as a separate category. The “private” category in Alford’s distinction will here be referred to as for-profit. Figure 2.1 shows the definition of the third sector according to the principles of Alford’s theory.

<table>
<thead>
<tr>
<th>Figure 2.1 The typology derived from Alford</th>
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<tbody>
<tr>
<td>Definition of user</td>
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<tr>
<td>Public sector</td>
</tr>
<tr>
<td>For-profit sector</td>
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<tr>
<td>Third sector</td>
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Source: Alford 2002 modified by Vamstad 2004

The third sector shares some features with both the public and the for-profit sectors. A common feature with the for-profit sector is that the first aspect is not performed with the collective considerations of the entire political system in mind. Thus, the third sector, like the for-profit sector, lacks the universal character of the public sector. The important principle in Alford’s distinction is, however, whether the same actor performs the first and the second aspect. Only in the for-profit category are the two aspects performed by the same actor (the customer). The public sector and the third sector are guided by other principles than the consumption of material goods; they are based on symbolic, social and normative principles. While the for-profit sector is driven by consumer-based profit-maximization, the third sector and the public sector are driven by the search for information and co-operation (Alford 2002,
p.338). The third sector lies, in other words, somewhere “below” the public sector’s universal perspective but “above” the for-profit sector’s atomized perspective of society - or in other words between them.

The typology consisting of a private sector and a public sector is very well established in Sweden. The reasons for this are partly historical. The Swedish welfare state has its origins in the 1930’s and 40’s when a growing urge for state-sanctioned welfare was followed up mainly but not only, by the Social Democratic Party, which in 1936\(^3\) entered a period of 40 years of uninterrupted control of government in Sweden. The first welfare institutions in Sweden were, as in most other countries, primarily charitable organizations. The drastic expansion of the political compass under Social Democratic rule soon expanded the public sector at the expense of charitable organizations during the decades following the Second World War. One especially telling example of a welfare service that was to be taken over by the public sector is the provision of childcare.

As noted earlier, the Swedish welfare state with its regulated market economy is characterized by universalism, high levels of politicization and a large public sector. Based on this, Esping-Andersen labels Sweden as the ideal example of what he calls a social democratic welfare regime (Esping-Andersen 1990, p.26-28). The welfare regime that greatly departs from this, in most respects, is what Esping-Andersen calls the liberal welfare regime, where the prime example is the United States of America. The liberal welfare regime is largely market-oriented and it does not seek to fulfill any political agendas for social rights or equality through economic redistribution by political means (Esping-Andersen 1990, p.26-28). Sweden, as the ideal example of a Social Democratic welfare state, is naturally less inclined to rely on, or even consider, for-profit providers of childcare, which are the most favored choice in the liberal welfare regime. The for-profit provision of welfare is naturally seen as the “other” model, the one that is practiced in completely different liberal welfare regimes. The Swedish welfare state is identified by its public provision of welfare services and for-profit provision is recognized as being part of the “alternative” to the Swedish model. Being in favor of the Swedish welfare state has therefore traditionally meant being

\(^3\) It is often stated that the Social Democratic reign began in 1932 but this claim fails to recognize the agrarian "vacation government" which were in power for the duration of a few months in the summer of 1936.
against “private” provision of welfare services, which has become the natural position for most Social Democrats as well as most Swedish citizens.

The dominant role of the public sector in the provision of welfare services, as described above, has reduced all non-public forms of provisions to being “alternatives” to the norm. Their non-public nature is the most eye-catching characteristic of these providers and all non-public providers become primarily an “alternative” to the “regular” public provision and therefore only secondly “for-profit” or “non-profit”. Thus for-profit provision has come to symbolize the alternative, since the for-profit form of provision and the liberal welfare regime that embraces it is the “other” to the social democratic welfare regime. Therefore, all non-public forms of provision are considered alternatives and the alternatives are generally considered as being for-profit in nature.

This dichotomous private/public typology is reflected in the language used in official publications and in the popular press. Official publications usually refer to all forms of non-public welfare provision as enskild, which means “single” or “private”. This label, commonly applied to for-profit and non-profit alike, emphasizes the non-public providers’ role as outsiders, as being separate from the norm. The enskild providers of welfare services only have in common that they are not part of the public sector - even though differences between for-profit and third sector services are, of course, great. The categorizations of different forms of welfare in official print are therefore clearly based on a simple private/public typology. A good example of official print that uses the label enskild is the extensive and influential report on changes in welfare services to the Ministry of Health and Social Affairs, which in spite of its topic fails to recognize more than two forms of provision, private and public (SOU 2001:52). Remarkably enough, a similar lack of perspective can be found in much of the academic work on the subject in Sweden. The most recent and perhaps best example of this is Vogel et al. European Welfare Production (2004), an influential and impressive piece of comparative research that summons up welfare production as being provided by the state, the market and the family (Vogel et al. 2004). There are, of course, also a few examples of more matter of fact classifications. In their report on for-profit childcare to the City of Stockholm, Sundell and Stähle differentiate between for-profit and non-profit provision of
childcare, where cooperatives and public childcare are defined as non-profit (Sundell and Ståhle 1996, p.29).

The private/public typology is fueled by a significant ideological cleavage between Social Democrats with leftist values and market-oriented neo-liberals in Sweden. Pestoff states that the Swedish debate on alternative provision of welfare services is too black and white; it lacks nuances. Privatization has become a term interchangeable with commercialization, while, in fact, this is only one of three forms of privatization, according to Pestoff. The other two are de-professionalization through unpaid labor by mainly women at home and a greater role for the third sector in a process of democratization and co-operativization of welfare services (Pestoff 1998, p.51).

In conclusion, the origins of the public/private typology are historical in many ways. The long Social Democratic rule in Sweden has ensured that the public sector plays an important role in the provision of welfare services. This has resulted in a norm for public provision, a norm that still today frames the debate on the issue. The norm for public provision can be seen in terms of regime theory. Esping-Andersen’s typology of welfare regimes is gathered from such a regime theory and it goes a long way towards placing the Swedish case of the welfare providers in a theoretical context. The norm for public provision of welfare can be partly understood as a characteristic for a special type of regime in the welfare typology. The norm for public provision of welfare, in turn, goes a long way towards explaining why the public/private typology is so dominant and why non-public forms of provision are met by such relative suspicion by many in Sweden.

2.2 Defining the third sector

The conceptual background of the third sector is sketchy and contradictory. The origin of the concept in Sweden lies in the emergence of “civil society” in Swedish research and public debate in the early 1980’s. The neo-Marxist wave of the 1970’s clashed with the new institutionalism in political science, which called for a new way to relate to the state. The concept of civil society was in many ways a perfect solution for the Marxists, since the state became an independent political actor separated from the dominant class in the neo-
institutionalist context and the civil society offered a new forum for anti-state sentiments (Dahlkvist 1995). The Marxists saw the state as the embodiment of class oppression and communism was the final stage of materialistic history development, a stage in which the state would be dissolved. When the neo-structuralist and later neo-institutionalist political science community, with such leading figures as Theda Skocpol, described the state as something other than a tool for oppressing classes, many Marxists looked for a new non-class oriented way to keep scrutinizing state powers (Enroth 2004, p.222-223, 234-235). The concept of civil society offered such an opening, by forwarding the idea of a civil society as an area of popular mass movements independent from the state. Now the neo-Marxists could offer a vision of a state-free or limited state society, without embracing the liberal vision of the night-watchman state, at least not initially. The modern welfare state especially posed troubles for many neo-Marxists since it amalgamated popular movements and the state, confusing Marxist concepts of “we” and “them”, or the “people” and the “state”. Many Marxists therefore applied the “we” perspective to civil society and the “them” categorization to the state, which set them off on a journey towards more and more anti-state arguments, which in several cases led to a conversion to liberalism. The civil society became the “we” or the “people” where it had previously been the state and the public sector that was categorized that way (Dahlkvist 1995).

The early division between state and civil society corresponded roughly to a division between “public” and “private”, but the threefold division between state, market and civil society soon became the predominate one. The civil society was for many just a sum of whatever did not fit into the state and market sectors. The state was considered a necessary institution by the mainstream of political thought and the market sector was likewise considered necessary in some form by most political scientists. The civil society offered a forum for many popular phenomena that did not fit into the two other “necessary” sectors, which meant that a lot of “pet concepts” of the times were fitted into this sector. Former neo-Marxists were of course relieved to find a position opposed to the state without having to embrace the market sector. The civil society was, consequently, a sector defined by various phenomena that people liked for different reasons, which gave it an unrealistically positive connotation during the 1980’s (Dahlkvist 1995). This development is further explored in
Chapter Five, but it is nevertheless mentioned here in order to explain the use of the term “third sector” rather than civil society.

The third sector implies nothing other than being just that - a third sector with all its strengths and weaknesses. Unlike the early civil society concept, the third sector is neutral normatively; it can be used for many purposes, just like the public sector and the market. The civil society was considered to be generally “better” than the other sectors. The state and market were “necessary”, whereas the higher qualities of human interaction somehow dwelled in civil society. The concept of the third sector does not make this normative assumption and it is warranted here to emphasize that positive developments can come from all three sectors and that no sector is inherently “good” or “bad”. The third sector concept is, of course, not entirely unproblematic. If it is the “third” sector, what is then sector number two and why? The number three can imply a hierarchy, that it is the sector in third place, which is of course not the case. Given this terminological difficulty, third sector still stands out as the least problematic concept.

The matter of definitions is complicated in all third sector research, not only in Sweden but in the research field in its entirety. Wijkström and Lundström, who performed the Swedish part of the Johns Hopkins Comparative Non-profit Project, describe these difficulties better than most. Their task in the project was to produce an analysis of the Swedish third sector that was not only relevant for Swedish conditions but also comparable with those of the other countries in the study. The chapter on definitions in their book opens with a discussion of the “terminological marshland of the nonprofit or voluntary sector of a country” (Wijkström and Lundström 1997, p.14). What is here called the third sector is in many cases called civil society, non-profit sector, voluntary sector, the social economy or possibly social movements. Wijkström and Lundström felt obliged to follow the guidelines for the project presented by Salamon and Anaheir in their book Defining the Nonprofit Sector and the Swedish adaptation of the project format led to one of the few established definitions of the Swedish nonprofit sector. One of the main principles was, as is suggested by the name, that the nonprofit sector is made up of organizations that do not distribute a profit to owners or

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4 The most common order of numbers is state=1 and market=2.
managers. The Swedish case, consequently, came to exclude the “old” cooperative movement, since it is more or less just an association of loyal consumers where some 99% are passive members (Vogel et al. 1998, 234). However, the “new” cooperative movement was included because of its country-specific characteristics and voluntary ideals, as were the large labor union movements. The housing cooperatives were also excluded for reasons of comparability since their main objective is to serve the economic interests of their members (Wijkström and Lundström 1997, p.47). The distinction from the market is one of the main demarcation lines, and the other one is the distinction from the state. The former state church is an example of an organization that was excluded for being too closely associated with the state. (Wijkström and Lundström 1997, p.47). The Wijkström-Lundström definition of the Swedish nonprofit sector is, in short, based on its separation both from market and state and attentiveness to Swedish country specifics in the borderline cases.

This simple yet effective definition in many ways symbolizes the problems of finding a relevant definition of the third sector. Such a definition is bound to be schematic simply for the reason that the field of study is so problematic. The Wijkström-Lundström definition is well established and copied by many in the small third sector research community in Sweden. Nevertheless, these schematic definitions might not be specific enough for conclusions about the role of the third sector in the Swedish welfare state. Broad and fuzzy definitions of a whole sector of society might be useful for general estimates of countries as a whole, but they do little to help a scientific study of a specific phenomenon or a specific issue.

The most general definition of the third sector possible is that it is neither public, as in controlled by the state, nor run with the aim of producing a profit. Further, the third sector is often thought of as based on non-profit organizations, rather than on single individuals or loosely associated individuals. This is a fairly unproblematic definition. It is unproblematic because it stays clear of the often insurmountable difficulties with normative positions in the debate on the sectors of society. This is important since the overly positive sentiments towards civil society sometimes are projected on the concept third sector. The third sector is in these cases ascribed genuinely positive characteristics by the commentators - and not only
people directly associated with the sector. The third sector is sometimes called the voluntary sector, the sector of voluntary efforts and civic engagement. The concept of a third sector is also often used interchangeably with “civil society” which is, as mentioned, portrayed as society’s forum for civil action, a sector where people are allowed to nurture their most noble characteristics. The third sector is often described as an emancipative force where citizens are empowered to take control over their lives and better their environment (Zetterberg 1995). The positive values of the third sector are often held to be different from those of the other sectors. The market sector is said to be based on contracts rather than social relations, which promotes egoism and the pursuit of self-interest. The state sector is a source of regulation and enforcement of rules, which means the prevailing values are order, control and force. The third sector is outside the egoism/control dualism, being an idealistic place where the higher, nobler values of man find room to flourish. There is a tendency towards simply defining the third sector by ascribing to it all values that one hold as good and noble, even in Sweden where the public sector is relatively well thought of (Dahlkvist 1995). One of several Swedish words for the sector is ideell which means that it is run without interest in profit but also for a good cause. This sort of value-based distinction between sectors is not beneficial for a scientific study of the welfare state or the sectors themselves.

It is important to define the third sector and the other societal sectors according to function and not values, which departs from the definition of the welfare state that in this case benefits from being both defined according to function and values, as seen above. The point of the welfare state definition is, of course, that it clarifies what are functions and what are values. The third sector is a much fuzzier concept, which calls for an even stricter definition. Every study of the third sector needs its own definition; the third sector is not a homogeneous enough concept to rely on having an immediate and correct identification by anyone reading the term.

The present study looks at the third sector within the field of childcare only, having no ambition to define the third sector beyond this specific professional field (even though there is an ambition to draw conclusions for the welfare state as a whole from the example of childcare). The providers of childcare considered here are categorized as belonging either to
the public sector (municipal childcare), market sector (for-profit companies) or to the third sector. The third sector is mainly composed of parent cooperatives. A small part of the third sector consists of worker cooperatives and an even smaller section is foundation-based. The third sector refers to, in other words, primarily what is often referred to as the new cooperative movement, with just enough exceptions to justify not using this term instead. Only welfare provision by formal third sector institutions is considered here. The largest part of the welfare work being performed “between” the market and the state is provided informally by persons with some sort of relation to the person receiving the help or care (Svedberg and Vamstad 2006). This sort of informal welfare provision is, however, a completely different form of help and care from the one provided by the public sector, there is no easy way of comparing them. Formal childcare in parent cooperative preschools is very unproblematic in comparison with their public counterpart. The everyday work is much the same in both, or at least it is as varied. The public preschools are run by the municipality and the parent cooperatives are run by the parents. Other than that, there are more similarities than differences. There is therefore hope of avoiding some of the ideological pitfalls by limiting the study to formal childcare, while there is little hope of doing the same when comparing childcare in preschools with informal childcare in the home of people somehow related to the child or parent⁵.

The operationalization of the third sector is limited to the non-public, non-profit providers of childcare. The case of childcare is, however, clear enough to apply this definition in this specific case. Childcare is regarded as an exception in that it has a significant percentage of the service produced in the third sector, which other service areas do not. The third sector is, however, not only significant but dominant in other parts of society that do not concern welfare production, such as sports and leisure (Lundström and Svedberg 2003). The third sector seen as a whole is therefore quite large in Sweden, something that is easily forgotten when discussing the subordinate position of the third sector in the provision of welfare services. A possibly related characteristic of the Swedish third sector is that it relies predominantly on non-professional volunteers, while the third sector in countries like the United Kingdom and the Netherlands employs professionals to a large degree. The welfare

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⁵ Although childcare in the child’s own household is often ignored when studying the third sector and civil society, which might help to avoid the debate on housewives and “trapping” women in the home.
service areas in Sweden and other countries employ mainly professionals but, as mentioned above, this sector is rather sparsely represented by the third sector in Sweden. Sweden has the highest percentage of the population in the world volunteering in the third sector but among the lowest percentage of the population in the world gainfully employed by it (Zimmer 2005).

The third sector is in the present study considered a potential provider of social services. This is not the only possible role that the third sector could take in the social service sector of the welfare state. Dahlberg has primarily studied the third sector and its role in Swedish elder care and her conclusions from that particular area leads to an analysis of the third sector as complementary to the services in the public sector (Dahlberg 2004, 2005, 2006). This, in turn, means that there need not be competition between the third and the public sector for resources to produce the same service. Dahlberg paints the picture of a symbiotic relationship where the public sector provide the actual service and the third sector functions as a forum for addressing social needs rather than care needs (Dahlberg 2004, 2005, 2006).

In Dahlberg’s writings there is a well-founded desire to downplay any conflicting elements in the relation between the public sector and the third sector based on her empirical finding in the Swedish elder care sector. Her analysis is therefore based on the current situation where the third sector is not a provider of welfare services, nor the normative assumption that a higher level of participation promoted by the third sector could be beneficial for meeting future democratic challenges to the welfare state. This is the primary reason why the role of the third sector in Dahlberg’s writings departs from the one assumed in the present study. Another reason could be actual differences between childcare and elder care. Dahlberg’s findings might apply to elder care exclusively even if there is no mention as to why that particular service would be unique. The case of childcare would undermine her conclusions if the practical circumstances were considered similar in the two areas, since the representation of childcare in the third sector is clearly interchangeable and not complementary in its relation to the public sector. The assumption here is that findings in the

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6 There is a parallel between Dahlberg’s view of the third sector as a complement in service provision and for instance Amnå’s view of the third sector as a complement for participation in the representative democracy (Amnå 2003)
childcare sector might be of relevance to other service sectors as well. Childcare is, in other words only unique in that a large proportion of the services are provided by the third sector, not in any way that would limit its experiences for other service areas like elder care, handicap care and so on.

2.2.1 The third sector in the Swedish welfare state
The history of third sector welfare provision in Sweden is closely linked to the history of the Swedish welfare state described below and the dominance of the Social Democratic party (SAP), which enjoyed continuous time in government between 1936 and 1976 and has dominated Swedish politics until now.

The SAP was at the outset the political wing of the Swedish labor movement that emerged in the late 19th century and became the dominant political force in the early 20th Century. The Social Democrats in many ways gathered strength from the social capital of the third sector when little other capital was available for the working classes (Korpi 1994, p.12) Organization and cooperation imbued the Social Democratic strategy to battle on more equal terms with the established political forces of the early 1900s. Ambjörnsson illustrates very strikingly how the labor movement paved the way for working class involvement in national politics through adult education, temperance drives and through the spreading of sound ethics and a constructive political culture (Ambjörnsson 1998). The rich social capital of the early labor movement was later institutionalized in the social democratic welfare state, and Sweden still has a strong tradition of adult education, temperance societies, youth groups and so on, mostly centered around organizations formed during the era of the big mass movements before the welfare state was established (Vogel et al. 1998). Popular mass movement politics remains a policy area and it has today a separate heading in the government’s budgetary propositions. Issues concerning popular mass movements have been since 2001 an explicit responsibility of the Ministry of Justice (Nordfeldt and Olsson et al. 2005, p.18) (Kommittédirektiv 2005:117, p.4).

The Social Democratic welfare state early on became characterized by a large public sector providing services universally to the broad masses that gained power from the owning
propertied classes through organization and social capital. The public sector became the motor in the modernization and professionalization of the welfare services in Sweden and in time the public sector became a clearer embodiment of the Swedish welfare model than the mass movements from which it had sprung. The public sector was the guarantee for universal service provision and the dominant tool for perfecting the many goals of social engineering typical for the Swedish welfare state\(^7\). As the public sector and the political power came to rest with the Social Democratic party for many decades, the social democratic view of non-public organizations came to shift somewhat. The Social Democrats still encourage broad mass movements in sectors like culture, sports and life style organizations but the relation towards organizations providing the same kind of services as the public sector has at times been more strained. The childcare sector was the first service sector to see a broad non-public movement after the establishment of the welfare state. In the 1970’s and early 80’s parents began organizing their own cooperative childcare facilities. Their motives were originally the desire for alternative pedagogies but the shortage of childcare soon became the driving force, to some extent paired with cost concerns among parents (Pestoff 1998). The Social Democrats had always been close to the consumer cooperative movement; however their relation to the new parent cooperatives was naturally ambiguous. They represented the kind of grass root organization which the Social Democrats once emerged from but they also represented an alternative to the ambitious welfare building of the post war era.

The skepticism towards non-public alternatives has had a somewhat different development on the local level. While the national level was dominated by ideological considerations revolving around ideals of universality and equality, fiscal realities have come to favor alternative, especially cooperative solutions on the local level. The two local contexts where non-public providers of welfare services have flourished are the very urban and the very rural. In a big city like Stockholm the extensive coverage of social services has not always been possible to maintain by the public sector alone. The new cooperative movement has therefore been strong in the nation’s capital from the start, not least in the childcare sector. On the other end of the center-periphery spectrum, the most rural municipalities in the north

\(^7\) See for instance Gustavsson (1988).
of Sweden have not been able to provide the universal coverage of social services in the remote ends of their constituencies either. The latter phenomenon is perhaps most illustratively found in the region of Jämtland, near the geographical center of Sweden. One of the very first parent cooperative childcare facilities outside of Stockholm was started in 1986 in the tiny hamlet of Hunge in the outskirts of the municipality of Bräcke (Glesbygdsverket 1995, p.37-40). Cooperative services in childcare, elder care and even health care have been established in the largely depopulated areas of the vast northern regions, areas where the municipalities could no longer provide services and where no such services would exist if it had not been for the cooperative alternatives (Gustavsson and Oknestam 1994) (Björklund 1996) (Ronnby 1995) (Windén 1995).

New social capital is, in other words, finding its way into a welfare state rich in institutionalized social capital. On the national level ideologically motivated suspicion remains even if it appears to be waning. In the meantime social policy experiments at the regional and local level have in some cases moved quite some distance towards embracing social capital even in the ideologically charged social service sectors. This growing awareness is tested in the childcare sector, where there already exists a significant body of third sector providers of childcare, but the results from that test are still inconclusive.

The relationship between the third sector and the welfare state in the last few years has been signified by a sometimes ambiguous combination of praise for the role of “idea based organizations”” and the tenets of a modern form of social engineering. In 2001 former Prime Minister Göran Persson expressed his support for non-profit providers of social services that could supply private alternatives to public services without introducing profit-seeking agents (Wijkström and Einarsson 2006, p.6). This declaration came at the same time as the Swedish government launched expansive public investments in childcare, the one area where there was a significant share of non-public service providers, mainly non-profit cooperatives. The greater openness towards non-public actors in general has, however, had some substantial results, like the introduction of a new legal form for limited companies with limited profit sharing, which was introduced on the first of January 2006 (Wijkström and
Einarsson 2006). These organizations prior to this new law were categorized as “economic associations”, a legal form not originally intended for non-profit providers of social services.

The most recent development in the policy towards social capital is the formation of two committees assigned to drawing up the general guidelines of future popular mass movement politics. The first of the two, from October 2005, gives a general overview of the government’s popular mass movement policy. The committee’s statement recognizes that mass movements and civil society play a role in almost all areas of government, which calls for oversight and a collected approach to civil society in such varied areas as culture, sports, justice, health and social issues (Kommittédirektiv 2005:117). The second committee was formed in mid April 2006 and approached non-profit organizations in public health and elder care. The mission of this committee was to map and illustrate non-profit providers of health and elder care services in an effort to improve their conditions. The motive behind this ambition was that most non-public providers today are for-profit, and the committee aimed to suggest policy innovations that would give the non-profit-making the possibility to expand their share of the non-public sector (Kommittédirektiv 2006:42). Political initiatives like these indicate that the third sector could be moving towards greater recognition as actors in the welfare service area*. Such a development still has an uncertain future but it is one that is well in line with the theme of the present study.

2.3 Defining childcare

The two research objects that coincide in this study are the welfare state and the third sector. Childcare is where the two converge. Childcare is a service provided by the universal, Swedish welfare state, but unlike other services there is a considerable amount of third sector provision. There are good reasons to believe that the childcare sector would have had as few third sector actors as the other main service areas had not the welfare state expansion run out of steam along with the post war economic growth in the early 1980’s (von Bergmann-Winberg 1987, p.9-10). However, the third sector has the role of a serious and largely successful service provider in the childcare sector and this is the principal reason why it was chosen as an object of study.

* It should be noted, however, that the new bourgeois government that entered office in the fall of 2006 disbanded this committee in April 2007.
The decision to study the development of the Swedish welfare state through the provision of childcare is a deliberate effort to address a deviant case that has specific characteristics suiting the particular theoretical framing of the study. The provision of childcare was not chosen because it was considered especially representative of the Swedish welfare state, but rather because of its special characteristics. Childcare provision is, in other words, a case in the study of the Swedish welfare state and its ability to cope with diversity and participation. Childcare is also interesting in that the Swedish welfare model has recently been reformed according to a traditionalist view, with increased universality and continued expansive political and economic ambitions for this specific form of service. The historical development in the childcare area has focused on greater levels of regulation, better quality and better accessibility of public services, from the end of the Second World War to the mid 1980’s. This development progressed very far and childcare in the early 1980’s was highly regulated and almost completely provided by the public sector. During this time, childcare became an entitlement, something the citizens came to expect from the welfare state. What is interesting is that the childcare sector has retreated somewhat from its complete integration in the public, universal welfare state to a position as the service with the most third sector initiatives. One deciding factor for this development was a legal reform granting parent cooperatives the same kind of funding as public childcare. Even though childcare was already provided as a social right in Sweden, third sector initiatives expanded rapidly when they got to compete on equal terms with the public childcare. Apparently, something attracted users of childcare to the cooperative preschools in spite of the fact that the universal Swedish welfare model, at least officially, already took full responsibility for the provision of childcare. The history of childcare sketched in Chapter Five will show that the Swedish political elite has in recent years responded to the expanding diversity by launching new reforms aimed at increasing both regulation and universalism.

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9. However, one of the contributing reasons why the parent cooperatives grew in number is the public sector’s failure to supply an adequate amount of preschool places, mainly in urban areas.
What makes childcare different from other service provisions? The primary reason for the selection of childcare for the purpose of the present study is that the number of non-public providers is unusually large in this sector, as shall be seen below. The large number of non-public service providers gives a solid empirical base to study childcare and it can also be seen as “pilot case” for the possibility that the welfare state in general might rely more heavily on non-public service providers in the future (more on this possibility below). Another important reason for choosing childcare is the fact that a vast majority of its non-public providers also are non-profit. The childcare sector is one where the third sector has proved to be able to provide an attractive, high quality alternative to public services, mainly in the form of parent cooperatives. This makes the childcare sector especially interesting since it shows that non-public welfare services are not necessarily for-profit, which is a common misunderstanding in Sweden (but in few other countries). The significant contributions of the third sector to childcare provision opens for an analysis of the future of the welfare state beyond the ideologically heated debate on private/public service production, where “private” is often understood as for-profit. The non-public providers of childcare are generally small-scale actors, usually single service units. There are, in other words, still relatively few large for-profit corporations in the childcare sector, which should eliminate the traditional grounds for suspicion and political animosity towards non-public welfare services.

There are several more general reasons why childcare is both a relevant and interesting object of study. Childcare is a social service of great importance for many issues of social policy. Equality of the sexes is directly affected by the provision of childcare, as is equal rights to employment and careers. Esping-Andersen has shown that the chance of paid employment is not merely a question of equality principals but an important economic factor. He argued that for every 100 women who are able to work rather than stay home with their children, another 15 jobs are produced (Esping-Andersen 2003, p.605). Childcare is a

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10 As seen above, service production is studied because of the asymmetry between this level of the state and the other two levels.
11 Cooperative organizations can also produce a surplus which can lead to savings for the members through lower fees. Some argue that this surplus should be called profit, for instance conservative parliamentarian Per Westerberg who participated in the work of the parliamentary committee on cooperative organizations in the early 80’s (SOU 1984:9)
key factor in promoting women’s access to working life, which explains why childcare is such a vital issue for the future of the welfare state. Esping-Andersen concludes that the Scandinavian countries are better prepared to face future economic challenges to the welfare state, than for example Spain and Italy, simply because the universal welfare state in Scandinavia allows for female work participation to a much larger degree, mainly due to the universal accessibility of childcare (Esping-Andersen 2003, p.609). This understanding has influenced Swedish social policy for quite a long time. In 1980 economists Bengt Jönsson and Anita Paulsson studied the distributional effects of a universal childcare system and they concluded that public investments in the area more than paid for themselves. In fact they argued that this was a well established fact already at that time, which led them to expand their focus to include other distributional effects as well (Jönsson and Paulsson 1979). Childcare should, therefore, not be seen as just another costly social service that needs to be financed by the largely public welfare state. Childcare is a social service that allows a higher level of productivity, through which the welfare state can be financed. The benefits of universal access to childcare would of course be even greater if the provision was managed by the parents themselves, at a lower cost, especially since this would also help raise social capital and engage citizens in societal democracy through active participation in the services closest to them.

2.3.1 Childcare in relation to other welfare services

If childcare is indeed a special case with unique characteristics, what conclusions can then be drawn from it when trying to explain developments in the welfare state as a whole? The present study tries to draw conclusions about the welfare state as a whole from observations in a single service area, for reasons described above. This is attempted in spite of the obvious difficulties because of the non-intrusive character of the differences. First of all, the special characteristics of childcare as a welfare service can be largely explained as normal variations. The claim that childcare is different raises the question “different from what”, which is just the point: there is no “standard” shape or form for a welfare service - all forms are different from each other in one way or the other. Still, we compare them with each other to learn
more about theories and practices in the welfare area\textsuperscript{12}. When one reaches conclusions about the welfare state as a whole from one single service area, this is done from an understanding that there is a “normal” variation between service areas but that conclusions can still be made as long as these are kept in mind. The size of the third sector in the childcare area is what makes it interesting; it also separates this welfare service area from other welfare service areas. There are of course other differences but these are more in line with the normal variation. All Swedish welfare areas are dominated by the public sector and they are the result of a welfare model that has developed during 75 years. The mainly social democratic welfare model has in general favored large scale, professional welfare units that provide universal services produced by paid staff (Svedberg and Vamstad 2006) (Gustavsson 1988). This fact gives the different welfare services a common frame, if not a “standard”, which allows variation. This variation can be due to historical, practical or other reasons.

There are some specific variations that might be useful to keep in mind for the purposes of this study. Besides variation in amount of third sector, the different service areas also vary in scale of production. The typical school, for instance, has hundreds of children, while the typical preschool is considerably smaller. The preference for large-scale, professional services has, however, not gone unnoticed in the childcare area; many municipal preschools are for instance run with one single manager for several units. There has also been a considerable increase in number of children per group during the 90’s (Bergqvist and Nyberg 2001). The groups are generally larger in the public sector, compared to the third sector (Pestoff and Strandbrink 2004). The scale of production is a significant issue not the least with regard to the democratic challenges discussed in Chapter Four. It is argued that such democratic challenges to the welfare state can be met with democratization of areas previously considered sub-political, here mainly the provision of welfare services. A democratically organized, participatory welfare provision might prove a source of democratic influence in a time when representative democracy is increasingly unrepresentative and mistrust of politicians has taken voter participation towards a new nadir. The scale of production is relevant in this sense; it is a lot more feasible to organize small-scale units of production, as

\textsuperscript{12} Comparing different welfare services is, of course, not the same as generalizing from one service to the welfare state as a whole. Such a generalization is, however, dependent on the fact that there is a significant amount of room for comparison between services.
in childcare, than the considerably larger ones in the schools, since the whole point of such organization is that decisions on welfare issues are taken close to the users.

Another problem is that of information, for not all welfare services have as easily accessible information as childcare, allowing the sort of user participation suggested here. A typical example of a welfare service where the accessibility of information is too little to allow for wide ranging user participation is health care. The advanced nature of medical expertise limits the extent to which matters of health care can be decided by the users who can simply not grasp everyday matters in their care since they do not have sufficient medical knowledge relating to their own and other people’s treatment. This phenomenon is known as information asymmetry.

A third problem is that services create different levels of engagement among their users. It is reasonable to assume that the users of childcare, by which is meant the parents, are highly motivated to get involved in the running of childcare, since the welfare of their children should be a matter of great concern to them. It is quite possible that it is not as easy to create the same interest for democratic participation in all welfare services, even if for instance elder care should offer similar incitements to both the elderly themselves and their relatives. The saliency of an issue, however, depends on context and a new possibility to influence a service institution is in itself a change in that context. It is, in other words, difficult to assess exactly how engaged in the provision of a service the user is likely to be.

Möller’s survey of user influence in child and elder care provided some indications of who is likely to want to influence the service production and why. One conclusion was that not only dissatisfied users want to influence their services, although they are more inclined to do so - 70% of the users who tried to influence their services were unhappy with them (Möller 1996, p.289). This result is of course affected by fact that there were/are no formal channels for influencing public services during the time of Möller’s study, unlike the third sector services, where the users make most of the decisions. Those wanting to influence their services in

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13 Welfare services in general are, however, more likely to create an interest in user influence than many other services, such as car repair or haircuts, services that we just want done by a professional. See Follesø for a further discussion on this topic (2004).
spite of this were mostly unhappy users. Möller can, of course, not say anything about the level of satisfaction with the services the users wanting to influence would have had if there had been a routine channel of influence. Möller confirms that third sector providers of childcare offer better channels for influence, as would be expected. Table 2.1 is based on interviews with users of childcare where the interviewees were to evaluate their possibility to influence their childcare provider.

Table 2.1 Possibility to influence childcare as perceived by user

<table>
<thead>
<tr>
<th>Organizational type</th>
<th>Good</th>
<th>Adequate</th>
<th>Bad</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>10</td>
<td>4</td>
<td>7</td>
<td>21</td>
</tr>
<tr>
<td>Family day care</td>
<td>5</td>
<td>1</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Parent cooperative</td>
<td>11</td>
<td>1</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Worker cooperative</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
<td>6</td>
<td>12</td>
<td>47</td>
</tr>
</tbody>
</table>

Source: Möller 1996, p 294-295

In conclusion, childcare is a welfare service where the Swedish welfare state is faced with the fact that nearly 20% of the services are provided by non-public providers, which is quite unique. The expansion of non-public providers in this specific field has been explained by such different factors as capacity shortage (Gustavsson 1988, p.155-156), tax reform (Stensöta 2004, p.87), (Pestoff 1998, p.173), cost-efficiency (Antman 1996), pedagogical preferences (SOU 1991:24), attempted democratization (Möller, p.294) as well as many combinations of the above. Regardless of the reasons behind the expansion of the non-public providers in this specific field, the fact remains that it is the only welfare service in an otherwise rigidly statist welfare state that has a significant level of non-public providers. This is interesting and, in spite of all the difficulties of comparisons with and generalizations from such a unique case, worthy of study. The non-public childcare is predominantly third sector and the third sector has several qualities that the traditional welfare state service lacks and is being challenged for lacking.

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14 Being dissatisfied with the service used is of course a completely legitimate reason for wanting to influence the service production.

15 It is here not suggested that an expansion of the third sector automatically leads to a more “civic” society or a society with richer social capital. This research has no ambition to study methods for those goals; the third sector is only considered as cost-efficient provider of high quality services comparable to those provided by the municipalities and as a provider of opportunities for democratic participation complementary to the representative democratic system.
2.3.2 Comparing different types of childcare

Three types of childcare are compared: municipal, third sector and for-profit. The third sector type is operationalized into parent cooperatives and worker cooperatives in the analysis of the primary material in Chapters Seven to Nine. A seemingly natural approach to the study of non-public providers of childcare in a universal welfare state is to compare their situation to that of the public providers. This comparison can be made on many levels and according to many different measurements, with varying results. One relevant measurement is the level of self-governing and organizational freedom at the service level. It is clearly feasible that a non-public provider of childcare has a higher level of freedom in deciding the direction of a given preschool. It is, however, far from self-evident that this is actually the case. Kooiman contends that self-governing is not limited to the non-public side of the service level. He argues that the lower levels of most, or all, of the public sectors’ services have considerable degrees of self-governance. In fact, he states, most present day societies would not function if they did not (Kooiman 1999, p.83). The relation between the political level of society and the service level closest to the citizen is formalized by rules, laws and guidelines, but there is still considerable room for self-governance by those who actually fulfill the political agenda in practice. Kooiman touches upon a phenomena here described by Lipsky as “street-level bureaucracy” or “public service workers who interact directly with citizens in the course of their jobs and who have substantial discretion in the execution of their work” (Lipsky 1980, p.3). Level of self-governance is, in other words, not a very good point of differentiation between the public and non-public providers of childcare, at least not self-governance seen as independence from the political sphere of society. A comparison that will provide a much more significant difference between public and non-public is the level of user participation in the service. If the relation to the political sphere is fairly consistent between public and non-public preschools, then the relation with the users should offer greater differences.

There is, according to Kooiman, little difference between the two types of service providers in degrees of self-governing at the service level. The difference lies in how this self-governance is handled. The cooperative providers are subject to additional influence from the users, which in the case of childcare means the parents. This user-influence directs the
preschools’ operational freedom according to the wishes of the parents. The equivalent operational freedom in public facilities, which according to Kooiman is equally great, must thereby be filled with some other source of influence, possibly from the employees at the service level. Private for-profit preschools generally have little direct user influence since the manager and the shareholders control the operational freedom. The shareholders have roughly the same kind of influence as the users in the cooperative, even if the levels of influence of course vary. The underlying motive for the for-profit preschool is, of course, to produce a profit.

It is important to keep the actual differences between forms of providers in mind when studying diversity in welfare provision, especially when studying welfare services in Sweden, where the differences are not always apparent. Common guidelines, rules and source of funding may give public and non-public preschools equal conditions. The argument in this study is that they use these conditions differently.

2.4 Childcare in the third sector
Considering the already-mentioned complexity of the term “third sector”, it is to be expected that childcare in this sector would take many forms. Originally, third sector childcare in Sweden was organized by non-profit organizations, in many cases church-based, ecumenical or with a special pedagogical orientation such as Montessori. The bulk of the third sector provision of childcare today is managed by cooperatives. The cooperatives are in turn divided between worker cooperatives and parent cooperatives, but the vast majority belongs to the latter category. The principal difference between them is, of course, that the worker cooperatives are run collectively by the staff, while the parent cooperatives are run by the parents. Most of the references to cooperatives in this study are made to parent cooperatives. The special interest in this particular form of cooperative has in part to do with its dominance in Swedish third sector childcare, but also to the fact that it is the clearest form of user participation in governance of welfare output. It is for these reasons relevant to study the parent cooperatives more closely.
What separates parent cooperative childcare from other forms of provision? Sector affiliation has already been presented as a way of differentiation: parent cooperatives belong to the third sector, while municipal childcare is part of the public sector and so on. The question of in which sector the ownership is based is, however, a very rudimentary form of definition. It is therefore relevant to look into some of the characteristics of the parent cooperatives. While for-profit childcare is primarily guided by economic principles\textsuperscript{16} and public childcare is driven by politics, usually in a representative democratic system, the cooperatives include both economic and democratic principles. It is therefore warranted to look at both.

\subsection*{2.4.1 The economic principles of third sector childcare}

Most of the Swedish cooperatives are parent cooperatives, meaning that the users of the service also organize and produce the service. Some cooperatives are run as worker cooperatives, where the staff of a childcare facility are collectively organized for providing childcare for members and non-members alike. All forms of cooperatives are owned by their members, who bear the ultimate responsibility for the economy of the childcare facilities. It is therefore customary that the members of the cooperative also make a deposit or a one-off economic contribution at the founding of the cooperative. Any accumulated profit is either reinvested in or distributed to the members, possibly proportionally to the number of work hours each member has put into the organization. All parent cooperatives studied here aimed to reach break even: the monthly fee was regulated to just cover wages for the staff, supplies and so on (Pestoff and Strandbrink 2004). Keeping down costs and fees is a greater economic incitement since the owners usually are also the consumers of the produced service. The main economic contribution by the members in a user cooperative is the work hours invested in the service production. Parent cooperative childcare facilities traditionally had a lower monthly fee for the users, even though this has become somewhat less the case since the \textit{maxtaxa} reform drastically lowered the cost fees for childcare in the public sector.

\textsuperscript{16} It is important to recall that for-profit childcare is seldom run through large corporations but is typically a small, single unit childcare facility run either by parents or staff. These make small or no profits and the organizational form is usually chosen for practical reasons.
Practically all childcare in Sweden is heavily subsidized by public funding, including parent cooperative childcare and even private for-profit childcare. The funding is based on a fixed sum per child plus possible additional funds to cover housing costs in cases where the preschool is not located in municipal housing, in which case the rent is reduced or waived altogether. To be eligible for public funding a parent cooperative must be certified by the local authority. The criteria varies with different local governments but a general criterion, used for instance in the greater Stockholm area, is that the childcare service should be in accordance with the 69th paragraph of the social service law and that the quality of the service should measure up to the minimum level as described by the 13th paragraph of the same law (Sundell and Ståhle 1996, p.13-14). The social service law requires, among other things, that the childcare facility should be able to address some children’s special social and medical needs and that the preschool must have a contact person, sufficiently educated staff and so on. Like employees in municipal childcare, the staff of the cooperative are also obliged by the 79th paragraph of the social service law to pass on information about social problems like domestic child abuse to the social authorities (Sundell and Ståhle 1996, p.14). The Swedish cooperatives are usually registered as “economic associations”, which is the organizational form that legally suits the cooperative model the best. The former Swedish Prime Minister, Göran Persson, suggested the introduction of a special legal category for non-profit organizations in 2001 (Pestoff 2002). This legal category might provide an alternative for some parent cooperatives, although most of the Swedish cooperatives of today would be excluded from this category because of their distributing eventual profits to the members.

2.4.2 The democratic principles of third sector childcare

One of the most fundamental principles of the cooperative organization is that it is run through democratic decision-making by its members. The democratic principles are, however, more far reaching than the mere organizational structure. Membership in the cooperative is openly obtainable and voluntary and it comes with large or small economic commitment on the part of the members. More importantly, influence in and responsibility for the cooperative is equally distributed between all members, most commonly by some sort of “one member, one vote” system. The practical details of how this is organized differ from
one cooperative to the other (Theodorsson 2003, p.115). The democratic control in the parent cooperative is in hands of the members not only because they make all the important decisions at the preschool but also because the members run the administration and all or part of the day-to-day business and thereby make the daily decisions. Theodorsson (2003) makes a distinction between members’ formal and informal influence over the cooperative based on an in-depth study of three Swedish parent cooperatives. She noticed significant differences between the cases, in spite of the modest size of the selection. Formal decision-making was least problematic and most coherent in the different preschools. All of the parent cooperatives had an assembly of all the members as the cardinal institution for decision-making. However, participation in the assembly was in many ways dependent on the practical routines at the individual facility. Two of the three preschools in Theodorsson’s study failed to distribute the agenda for the assembly meetings to all the members, which could make their active participation less consistent (Theodorsson 2003, p.126-128).

Parent cooperatives also differ in that some have managers who make many of the day-to-day decisions (Pestoff and Strandbrink 2004). The variation seems to be even greater with regard to the member’s informal channels of influence, not only between but also within individual preschools. The parent cooperatives have great opportunities for the members to participate in decision making on all levels. Not all members have the possibility to benefit from this opportunity, however. Theodorsson mentions a few examples of members, or parents who for practical reasons cannot participate in much of the informal contacts at the preschools, during which the agendas for formal meetings are decided on. This leaves some members feeling that the formal meetings were already decided beforehand, under informal circumstances they could not participate in (Theodorsson 2003, p.120-125). It seems as if the formal influence at the three preschools also left a few things to be desired, minutes from past meetings were sometimes not circulated properly and neither were agendas for future ones and so on (Theodorsson 2003, p.126-130). These examples in Theodorsson’s dissertation are, however, not only exceptions in the cooperative childcare sector as a whole but also at the preschools she studied. The fact that the informal as well as formal influence sometimes functions less than ideally is no reason to dismiss the parent cooperative model for user influence since it is the only form of provision today that offers meaningful channels for any
form of influence. Participatory democracy in the parent cooperative preschools by far exceeds the reach of any channel of user influence at public or for-profit preschools, as will be seen in the material presented in Part 3.

2.5 Summary of the theoretical considerations
The theoretical considerations presented in this chapter refer to three general areas: the Swedish welfare state, the third sector and childcare. This is a natural selection considering the statement made previously, namely that the two major research interests in this study are the welfare state and the third sector and that childcare is an area where the two meet.

The theory of the Swedish welfare state is used to produce a practical definition of the main studied object. The theory was intentionally chosen to address both the structural arrangements of the Swedish welfare state and its content, since it is assumed here that the structure and the content of the welfare state are two different entities. It is, in other words, assumed for example that the principle of universalism (content) could be maintained regardless of whether the provision of welfare services is managed by the public sector or not (structure).

The description of the structure of the Swedish welfare state is based on Esping-Andersen and others who point to, among other things, stateism as a characteristic of the Social Democratic welfare state. The content of the Swedish welfare state is described by a more heterogeneous collection of theory, where universalism and equality are among the concepts common for all. Theory and some empirical material have also made it possible to postulate that the traditional Swedish welfare state still is quite “traditional”, both in terms of public expenditures and in terms of ambitions and practices. Several sources of theory are also used to show how the welfare state was conceptualized in terms of state and market and nothing else. This is used as a theoretical foundation for the observable difficulties for the third sector to be considered at all in the political and academic debate.

The third sector has been subjected to some theoretical scrutiny, showing that the third sector could include any entity between the market and the state and that the operational definition
here therefore has to be specifically not for-profit providers of childcare outside the public sector. The common denominator for these is that they are formal organizations, informal and personal third sector entities are not included in the operationalization of the third sector.

The choice to study the role of the third sector in childcare in particular when studying the welfare state in general is also explained with the help of theory in this chapter. The rationale behind this decision is primarily that the share of the welfare service provided by the third sector is substantial, unlike most or all other service areas. The childcare area developed, for various reasons described in Chapter Five, a body of third sector service providers which makes it an especially interesting example - childcare as a kind of "pilot case". A second reason for choosing childcare is that the area is thus far free from significant big business interest. Large, private economic interests are something that normally makes third sector provision as well as the preservation of the content of the welfare state more difficult. A third reason is that the information asymmetry which limits user participation in, for instance, many health care services, is relatively small in the childcare area.

The theoretical considerations concerning the comparison between different types of childcare are presented in this chapter. Especially the comparison between municipal and third sector providers of childcare is brought up, and the conclusion is that comparison is possible since the municipal preschools, like the non-public, also have a certain level of self-governing at the micro level. The difference that can be compared is, however, the outcome of that self-governing, or who is given the right to decide over the preschool - the users or the non-political municipal staff.

The question of how to compare preschools of different organizational types is of course also a methodological question and as such one that will be further elaborated upon in the following chapter on methods.
3. Methods

The present study uses many different forms of information: an extensive history of childcare, two series of interviews, official statistics, an analysis of parliamentary bills and two survey studies. This broad range of sources of information is brought together to study third sector childcare in the Swedish welfare state.

Merriam states that case studies are suited for gaining insights, discovering and interpreting information, rather than trying hypotheses (Merriam 1994, p.25). This is precisely the purpose of this study, although it may not be a case study in the more orthodox definitions of the term. The goal is, however, to gain insight into the potential influence of the third sector on democratic and economic challenges and how they bring about changes in the Swedish welfare state, which is a hermeneutic goal typical for case studies. Considering the nature of the questions asked, there is no reason and no possibility to find a relevant, clear hypothesis to test. Yin describes the case study as studying variables representing a case in a context (Yin 2003). The case in this study is deeply embedded in a rich political context that is only made more difficult to study by the fact that there is little or no previous comprehensive Swedish research to rely on.

3.1 The research design

A way to understand the scientific problem engaged upon by this study is to think of the challenges to the welfare state in terms of leading to changes in the welfare state. The third sector, in turn, is examined because of its possible impact on how the challenges alter the welfare state. This model connects well to the twofold question in the first chapter. These questions require explanations of both the challenges and their potential for changing the welfare state (question one), and the third sector’s potential for steering this change toward the normatively defined goal for democracy and traditional welfare state principles like equality and universality (question two).

The third sector - and especially its childcare provision - is the case that has to be identified in and related to the context of the welfare state and its challenges. The welfare state and its
challenges will be empirically defined, as stated in the research question, and the third sector described as a case in order to investigate its possible impact on the challenges and how they in turn affect the welfare state. The third sector has to be separated from its context, which means that related phenomena such as the for-profit provision of childcare have to be treated as contextual and therefore worthy of mention.

The case study as a scientific method, with its sensitivity to matters too abstract and too specific to be tried as a hypothesis, allows the present study to be made. Yin makes clear, however, that this opening for questions that are difficult to test does not mean that the standards for serious research are compromised (Yin 2003). To study a case in context demands great awareness of the case and how to distinguish it from the context. To test a hypothesis one has to completely separate the case from the context; in a case study one has to bring the context along into the research process. The present context is so dense that particular care has to be given to the task of defining and cutting the case out of the context through the multitude of sources mentioned above. Any one of the sources could not by itself provide a base for case analysis. Drawing bits and pieces of information from each source, however, leads to a comprehensive understanding of the relation between the two.

The primary empirical data in this study will be used more as one of several sources for analysis, illustration and explanation. There is a scientific as well as pedagogical value in mixing the general with the specific, where in this case the primary material would be “the specific”. Just one, small, illustration of this is the example where a manager of a preschool in Östersund states that parents were in less of a hurry to pick up their children in the afternoon after the introduction of the maxtaxa. This statement seems reasonable but it does not carry enough weight to say anything about the general situation in Sweden post maxtaxa. Therefore the statement is supported by a presentation of information from a survey conducted by the Swedish Trade Union Confederation, saying that the most significant development after the maxtaxa is an increase in the number of hours that children attend childcare. By presenting both the findings in the interview as well as those from this survey, one gets a more nuanced understanding of the phenomena.
The primary empirical material will be studied according to three different themes or concepts, which put together, will provide what is thought to be a relevant basis for the study of and conclusion about the Swedish welfare state. These three concepts are diversity, participation and service quality.

**Diversity**

The characteristics of organizational types are considered essential here, both differences and what is lacking are important for understanding the implications of a more diverse welfare model. The level of diversity among providers is traditionally low in the Swedish welfare state, since the Social Democratic welfare regime implies a large public sector (Esping-Andersen 1990).

**Participation**

The concept of participation here refers to the involvement of the users in the production of the childcare service. The level of participation varies between different forms of provision, which ties this concept to the previous one. Three types of participation are considered: social, economic and political.

**Service quality**

The concept of service quality is more abstract and potentially normative than the other two. This concept is added to the comparison as a much-needed complement to the often very economics-dominated debate about the provision of social services. The quality of the service provided is, for some peculiar reason, frequently forgotten when the provision is discussed. It is assumed here, however, that the production of social services is not fully comparable to the production of goods in the sense that the quality of services is more sensitive and also more important. One must therefore consider service quality as a factor in itself and not just reason in terms of cost per unit in the production. There is also a clear connection between service quality and the other two concepts presented here. That participation is closely related to service quality is recognized by the Swedish government, which in a bill to the parliament stated that “high quality [in childcare] is the same thing as a good dialogue and good communication [between parents and childcare providers]” (Prop. 2004/5:11).
3.2 The normative, the constructive, the empirical and how they connect

The approach applied here can be described as normative both because the welfare state and its challenges are necessarily defined normatively and also because a certain model for addressing the challenges to the welfare state is suggested. Choosing the third sector as something that can affect the performance of challenges to the welfare state is, in other words, a normative decision. The mere suggestion that such challenges need to be addressed is also based on a normative understanding that the values and principles of the Swedish welfare state should be preserved. Had it not been for this normative understanding the challenges would not have been challenges at all; they would be merely “developments” or “changes”. There are several other normative understandings on a lower level of abstraction. It is, for instance, understood that high levels of democratic participation are better than low levels, which is not a self evident understanding considering the described movement towards greater professionalization and efficiency. Lewin made the distinction between the normative and the functionalist doctrine of democracy as early as in his book Folket och eliterna (“The people and the elites”) (1970). The normative doctrine argues that democracy is realized to the extent that the citizens participate in the decision process, while the functionalist doctrine argue that political elites should compete for the people’s support and then make all the political decisions (Lewin 1970, p.17-22). This study clearly takes the perspective on participation that signifies the normative doctrine on democracy.

The choice of a normative approach is almost always a subject for discussion, at least in the relatively few cases that such an approach is indeed chosen. It is therefore appropriate here to develop the reasoning behind this choice. The primary reason for the choice of a normative approach is the character of the subject at hand. As Rothstein notes, the welfare state is structured according to an understanding of what constitutes social justice, which is an inherently normative understanding (Rothstein 1994, p.7-8). The collected body of researchers and thinkers of the world have not yet discovered an “objective” definition of justice - though not because of a lack of trying. “Justice” is much too broad a concept to have an objective definition and a field of study; similarly, the welfare state that relies on this concept is also too broad to study “objectively”. Rothstein concludes that objectivity is
reserved for very narrow fields of study and their specialized scholars. When the study widens, the claim for objectivity becomes harder to uphold. The present study addresses the challenges to the Swedish welfare state as whole, which according to this logic, makes it relevant to acknowledge the normative side of the study. The case of childcare, and especially third sector providers of childcare, is of course more narrow and open for a less normative study. Needless to say, this fact has implications for the above-mentioned generalizing from a single service area (childcare) to the welfare state in its entirety. It might be feasible to keep a non-normative approach while studying the one single service area but not when addressing the wider picture, which is a point in favor of this research design.

Since it is only normative in the application of the findings and not the collection of them, some of the often-heard skepticism towards normative designs in the scientific community can be minimized. There is a common misconception among social scientists that normative designs are less scientific and better suited for opinion formation. Regardless of the level of substance in such a position, this study steers clear of much of this debate since the actual scientific analysis is performed with scientific objectivity in the narrower field of study (childcare), which in the words of Rothstein is the only place where non-normative studies are possible. Rothstein’s contribution to the normative design lies largely in his combining a clearly stated normative approach with empirical work (Rothstein 1994)\(^\text{17}\). Traditionally, normative designs have been reserved for theoretical work, which is part of the problem for this kind of design; a theoretical approach and a normative ambition give the normative work the character of being just loose judgments and more or less abstract reasoning without any real foundation in everyday life\(^\text{18}\). Rothstein wants to combine the normative design’s openness to broad objects of study with the scientific soundness of empirical research (Rothstein 1994, p.7-15). Lundquist adds to this reasoning by stating that we cannot empirically study phenomena rich in values and principles, like the welfare state, if we do not normatively define what it should contain (Lundquist 2001, p.16). We cannot know what to study if we do not fill concepts like the welfare state with content and since there are no

\(^{17}\) Such a general measure is, of course, not uniquely Rothstein’s; Lundquist (2001), for instance, chooses this approach for his analysis of democratic theory.

\(^{18}\) There have been attempts at creating serious, scientific standards for non-empirical, normative research, for example in Badersten (2006)
objective means of doing this, there is no other viable means of proceeding with the study than to do it normatively. The present study defines the welfare state in Chapter Two and the “content” of the welfare state that is the most discussed is its democratic foundations. It is here normatively understood that a welfare state like the Swedish one needs a strong democratic foundation with a high level of public participation and it is empirically shown how this foundation is being eroded.

Not only do normative studies need empirical elements, empirical studies of concepts like the welfare state and the third sector need normative elements as well - the dependence is, in other words, mutual. What is then the difference between empirically based, normative positions and empirical answers to research questions? If all normative positions must be supported by empirical findings, why not just phrase them as research questions and answer them to the extent allowed by the empirical material? The response to these questions is that the answers may be either just one out of several possible or that non-normative answers are not possible to provide at all. The difference between a normative position and research questions lies in the character of the topic itself. The third sector is one possible answer to the challenges to the welfare state; a non-normative answer to what kind of welfare state we should have in the future is not possible at all. Therefore the choice of the third sector is chosen normatively and the idea that the principles and values of the welfare state are important is motivated normatively. The empirical element in a normative study takes it from merely describing matters according to a particular set of values to actually providing a substantial argument for such a particular description.

There is also a constructive aspect to the design of this study, in that the main question is directed to a concrete and much debated societal problem - the challenges to the Swedish welfare state. The constructive question of what can be done in the Swedish welfare state is an underlying and secondary one but it would limit the scope of the study to merely ask the normative question of what the welfare state should do¹⁹. The empirical part ties the normative “should question” to the “can question” inherent in the empirical conclusion.²⁰

¹⁹ For a further discussion on this topic, see Fernandez (2005)
²⁰ This study goes outside what is normally understood as a constructive design, not only in emphasizing the “why” aspect of the issue at hand but also by exploring a field of study that is not normally considered for
Unlike strictly constructive works, this study will not offer a single practical solution to the problems described; it is not the intention here to fully define how the third sector should be organized in the Swedish welfare state, other than that it should be considered in a general sense. The traditional constructive design attempts to answer the question of what can be done while the core normative question is what should be done (Rothstein 1994, p.15). Both questions are naturally important. The “can” and “should” questions and the relation between them stress the need for an empirical section. Since both questions are asked, the relation between the two must be clarified by some sort of empirical study, especially when beginning with the normative and moving on to the constructive part. To do so without proper empirical support would not only be irresponsible but possibly misleading since the lack of empirical clarification of what can be done will lead the researcher to “create” an idea of what is possible (Rothstein 1994, p.21) (Fernandez 2005, p.19). In other words, it is relevant to speak of what should be done and not only what can be done, but one cannot draw conclusions about what can be done simply on the basis of an idea of what should be done. There must be some sort of empirical finding to support such a conclusion. The present study cannot avoid the normative nature of the “bigger picture” but all suggestions of what can be done are based on empirical findings in the narrower, selected field of study - childcare.

Normative and constructive elements are inherent in the scientific problem and both can be identified in the question itself. The first question (“What are the main challenges to the Swedish welfare state?”) relies on a normative understanding of what constitutes the Swedish welfare state; without such an understanding all described challenges will seem ad hoc and unsubstantiated. The second question (“In what way and to what extent can the third sector influence how such challenges affect the welfare state?”) is constructive in that the actual, practical possibilities of the third sector are considered. It is also normative since the goal for the influence is the preservation of the normatively defined values and principles of the Swedish welfare state and the likewise normatively favored democracy. The two questions therefore provide the study with the purpose of adding empirical substance to

constructive studies of the challenges to welfare state. This field of study is, of course, the third sector and its providers of welfare services, especially childcare.
what constitutes the Swedish welfare state and its challenges as well as to the question of the
actual potential for influencing the relation between the two by the third sector.

The relation between the normative assumption, empirical verification and the constructive
implications is probably best described by Lundquist’s book on democratic theory, Medborgardemokratin och eliterna (“Citizen Democracy and the Elites”). He argues that it is
equally difficult to study something normatively without empirical references as it is to
study empirical examples without a normative understanding of what one is looking for
(Lundquist 2001, p.17). This quote from his book describes this relation in the following way:

We must confront normative (should) and empirical (is) democratic theory with each other in a constructive (can) analysis in order to conclude what political democracy can be under different circumstances and how it can be
achieved. To be relevant, democratic theory needs to include all three types of theory [normative, empirical and constructive] (Lundquist 2001, p.18) (present author’s translation)

There is, to an even lesser extent, an explorative aspect to the present study as well, since it is
assumed here that there is a certain need for reform of the welfare state and one possible way
of reform, largely ignored in Sweden, is analyzed. The explorative design is fairly unusual in
social science, simply because the criteria for an explorative design are so many and so
precise. Another reason is, of course, that truly new areas of study are in short supply. An
explorative design doesn’t merely imply that the empirical material is new or rarely
researched, it means approaching a new area with the intention of mapping and opening it
for further research (Andersen 1998, p.18-19). The role of the non-public providers of
childcare in the past, present and future Swedish welfare state is an area that has not been
approached from a political science perspective. The role of non-public actors in the Swedish
welfare state has, in the words of Svedberg, only been granted footnotes in Swedish social
science research (Svedberg 2001, p. 141). It will be shown that the non-public providers of
childcare are largely overlooked by both by official and academic sources; they are barely
considered at all when discussing present and future service production. The non-public
service providers are, in all fairness, a relatively small segment in most service areas,
especially if one considers the non-profit, non-public services exclusively. However, this is,
as explained above, not the case when focusing exclusively on the area of childcare. The
research design is, in other words, explorative in the sense that the area in question is previously unresearched, but it is also explorative in the sense that the field is explored and developed according to a roadmap borrowed from the much more studied, corresponding areas in other cases.

3.3 Techniques and material
Two techniques for collecting primary data are used here: interviews and survey studies. The choice to use survey studies was made due to their potential for giving an overview of a large number of respondents. To gather the views of the staff and the parents through surveys meant losing some insight, but in-depth techniques were simply not a realistic alternative for these categories considering their numbers in a study of so many preschools. The decision to study the preschool managers through interviews was more difficult to make; there are several other in-depth techniques that could be relevant, especially direct observations at preschools were a possible alternative to the interviews. The problem with observations for studying diversity, participation and service quality at preschools is that these issues do not readily appear in political terms by themselves in the day-to-day work. Observing the caring for children with the purpose of understanding how the staff look at the organization of welfare services on the local level is ineffective at best. One could envision observing staff meetings and meetings with representatives from the municipal administration, but even if the power perspective is more apparent at such encounters, most of the meetings would not concern the political objects of study. Political science, unlike sociology, for instance, focuses on a certain type of human interaction, namely, power relations. Power relations between individuals in preschools could be studied through observation, even if that would limit the research to a smaller number of preschools for practical reasons. The power relations between preschools and the local authorities, not to mention other preschools, would be considerably more difficult to observe in this manner.

An interview is an interactive technique that directs the interviewee to the relevant topic and then lets him or her talk as freely as is considered desirable on that topic (Liamputtong and Ezzy 1999, p.58). When directing the interviewee to the relevant topic you should, according to Mäkitalo and Säljö, be “compliant but not leading”, you should in other words show the
relevant topic but not limit the interviewee’s ability to answer the question independently (Mäkitalo and Säljö 2004, p.143). Questions about diversity, participation and service quality do not emerge on their own, at least not in a politically relevant form; they have to be asked directly by the researcher, in the least limiting way. This technique has the inherent risk of leading the interviewee too much, so that the answers are just a product of the conditions provided by the question. This risk is, however, greatest with infant interviewees, especially in psychological studies where the manner in which the interviewees answer is important (Mäkitalo and Säljö 2004, p.143-145). The managers of preschools are all professionals with knowledge and experience; they are not easily misled in their area of expertise. More importantly, however, the interviews are not behavioral; they are merely means of obtaining information. Hence all questions should be formulated so that they can be answered in themselves, not only with the help of conditions provided by the interviewer (Mäkitalo and Säljö 2004, p.144).

The interviews carried out in response to the questions posed here belong to two different categories; a Pre-study (2003-2004) and the Main Interview Study (2006-2007). The Pre-study was performed as part of a European research project with the unfortunately long name TSFEPS, and the Main Interview Study is based on interviews performed exclusively for use in the present study. The interviews in the Pre-study were made during 2003 and early 2004 by four researchers working on the Swedish part of the project, with Sweden being one country out of a total of eight in the study21. As one of the four researchers the present author carried out about 30% of the interviews; the names of the other interviewers are listed in the bibliography. The topics of these interviews were quite similar to those in the main interview study, simply because the topics brought up in the Pre-study influenced the design of the Main Interview Study. A significant difference is, however, that the Pre-study was conducted with pre-school managers, staff and parents, while the Main Interview Study focused entirely on the managers, leaving the staff and parents to express their views in the Parent Study and Staff Study respectively. This difference does not in itself create difficulties for comparison, but it should be noted that the number of interviews in the parent and staff.

21 The project’s internal report, which is the source of much of the material from interviews performed by other researchers in the Pre-study, is referred to as Pestoff and Strandbrink (2004). This and other internal documents were also the main source of material for another publication, here referred to as Strandbrink and Pestoff (2005).
categories are relatively few, which naturally has consequences for how representative they are.

The total number of interviews in these two studies is also, by most comparisons, relatively small. With only 36 interviews, of which 14 are performed by other researchers, the research presented here gives rise to questions about selection bias. Such questions must be handled in relation to the purpose of the interviews and not according to general principles of methodology. The purpose of the 36 interviews is to provide general information that is not available in textbooks and to illustrate phenomena observed in more generalizable material also included in the research. The purpose of the interviews is thereby in line with the general aim, which is to further understanding rather than to test easily operationalizable variables. This is the purpose that the interviews must fill and the size of the selection can only be judged according to the interviews’ ability to do so.

The interviews were performed in two different localities, Stockholm and Östersund. The Stockholm part of the interviews also contains several different environments: there are culturally rich but socially challenged suburbs like Skärholmen and Akalla, stable middle class and upper middle class areas like Kista and Bromma and inner city wards like Maria-Gamla stan. All these wards have more or less different institutional arrangements for childcare and they address different needs and demands from their citizens. Each one is also large enough to constitute a municipality of its own in any other part of the country. Stockholm is, in fact, rather a group name for a selection of different locations. Among the few things that the locations have in common are that they are all urban or suburban and that they belong to the same metropolitan area. The variation within Stockholm includes most types of contexts except the rural and that of the small, regional town. The Östersund interviews are therefore a fine complement to the ones from Stockholm; they are all performed at preschools either located in the regional capital of Östersund or in the surrounding countryside. The guideline for the selection was therefore maximum variation, since the purpose of the interviews is to gather new information from and illustrate all various kinds of Swedish contexts. This is not to say, however, that they are or aim to be generalizable for the whole of Sweden.
The technique used for the interviews is a traditional semi-structured approach. The interviews were all between 45 and 60 minutes long and they were carried out according to a question sheet that can be found in appendix 1. The questions asked were quite free variations of those on the sheet and some questions were added between interviews because of issues that came up during the first sessions. All interviews in the Main Interview Study were taped and transcribed, while some of the Pre-study interviews were recorded directly on paper. Two of the interviews in the Pre-study were done over the telephone, the rest were done face to face. The interview language was Swedish and the direct quotes that occur in chapters 7-9 are the author’s translation.

The survey studies can be divided up according to three selection criteria: Stockholm/Östersund, organizational type and staff/parent. The first line of division, the geographical one, is not studied in itself here, since the two locations were chosen just in order to guarantee variation, as were the interviews. The two remaining dichotomies should comprise the foundation for an evaluation of the selection size, as seen in Table 3.1.

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<th>Municipal preschool</th>
<th>Parent Cooperative preschool</th>
<th>Worker Cooperative</th>
<th>For-profit preschool</th>
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<tr>
<td>Staff Study</td>
<td>46</td>
<td>44</td>
<td>18</td>
<td>8</td>
<td>116</td>
</tr>
<tr>
<td>Parent Study</td>
<td>89</td>
<td>107</td>
<td>48</td>
<td>24</td>
<td>269</td>
</tr>
<tr>
<td>Total</td>
<td>135</td>
<td>151</td>
<td>66</td>
<td>32</td>
<td>385</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A, 2007B

The response rate was 49.5% for the Parent Study and 81.1% for the Staff Study. The highest response rate was found in all types of childcare in Östersund and the lowest was that for parents at municipal preschools in the Akalla ward of Stockholm. The survey questions and reply alternatives can be found with English translations in appendix 2.

The survey studies are, as can be seen from Table 3.1, not particularly large. The standard question for all survey studies except the very largest is whether or not the n is large enough. As with the size of the selection of interviews the answer to that question needs to be related
to the purpose of the study. The purpose here is, as stated earlier, not to test the causality between variables but rather to further understanding of the subject matter. The survey data is not meant for regression or correlation analysis; it is mainly for descriptive purposes, and the most common guidelines for size of n are based on demands on such statistical tests. What should be the necessary n for a descriptive use of survey data is a much less studied matter. Given that the selection of cases and the level of generalization are correct, it can be assumed that the demands on descriptive studies are fairly modest. One could most likely be convinced that clear trends exist in the data and that they are valid even with an n counted in just tens of cases.

The Staff Study and the Parent Study were carried out at the same preschools as the interviews in the Main Interview Study and they were selected randomly. The random selection was compromised by the fact that only about 10% of the approached preschools agreed to participate, which led to preschools being added simply on the grounds that they were willing to participate. There are, however, no apparent tendencies among the preschools that did not participate; they do not seem to be of any particular type. The most common reasons for not wanting to participate were lack of time and periods of absence of central persons during the data collection phase.

The primary material was collected over a relatively long period of time, especially the interviews. The earliest interviews in the Pre-study are the ones performed by other researchers within the TSFEPS project; these were carried out during 2003. The first interviews performed by the present author are from 2004, also within this research project. The collection of primary material then rested until June 2006 when additional interviews and the first surveys were conducted. Work with the data then continued throughout that year and was finished in February 2007. The years 2003 - 2007 come after the major reforms of Swedish childcare in 2001 and 2002 and no significant additional changes occurred after these reforms. The major reforms of Swedish childcare took place in 2001-2002 and no significant additional changes were made afterwards, during the period of this study (2003-2007). The change of government in the autumn of 2006 might lead to policy changes
relevant to the childcare sector, but no such reforms were implemented or even planned by February 2007.

The material used in Chapters Five and Six is collected and analysed according to several different methodological techniques. Chapter Five contains a political history of Swedish childcare. A history resembles a case but the differences in techniques separate the two. A case can use a wide range of techniques, as seen in the overarching case of the third sector childcare, while a history is limited to collected documents and testimonies from observers and participators (Yin 2003). The history in Chapter Five is based primarily on governmental bills and other public documents and to a lesser extent on other authors’ historical descriptions of past events. This history of childcare spans from the early 1930’s to the present date. The choice of starting point is motivated by the fact that the first relevant signs of a budding welfare state can be observed at this time. The reason for continuing the history up to date is that it attempts to be relevant not only regarding the present situation but also regarding challenges to the welfare state that at least in part still lie in the future. The history of childcare is more specific from the mid 1980’s and onwards, since this is the period during which the third sector providers of childcare grew in number, becoming a significant segment of the modern childcare sector. In particular 1985 could be seen as a watershed since this is the year in which public funding of parent cooperative preschools was allowed through the passing of the law proposed in bill 1984/85:209. This led to a sharp increase in the number of new parent cooperatives. Prior to this bill parent cooperatives were largely limited to enthusiasts who favored a particular type of pedagogy or some other special feature in their children’s’ preschools.

Chapter Six provides a characterization of the Swedish childcare sector based primarily on descriptive statistics from the different relevant authorities, mainly the The Swedish National Agency for Education. The description of childcare in Sweden aims to be as factual and up to date as possible even if some references to the recent past appear in the material to aid brief insights into present developments. The reason for showing trends over recent years in a description of the present situation is that it might give a reasonable prediction of the figures for the immediately following years, which is relevant when studying present and future
challenges to the welfare state. Chapter Six includes descriptions of various forms of childcare that are not directly relevant here. The reason for this is to provide a complete picture even if the focus is on the preschools, which is the by far largest form of childcare in Sweden. It is not least important to know the specifics of the other forms of childcare for understanding why preschools are chosen as the primary object of study. The other forms of childcare either exist in only one organizational type (municipal, cooperative, for-profit) or focus on a special category of children not included elsewhere.
4. The democratic and economic challenges to the Swedish welfare state

The idea that we need to renew the welfare state in order to secure the values of the traditional welfare state is not an original idea. Neither is it one that applies only to Sweden. Esping-Andersen explains in his book, *Why We Need a New Welfare State*, that the traditional European welfare state needs some major adjustments in order to reach its goals for equality and justice among its citizens (Esping-Andersen 2002). The research questions presented in Chapter One therefore concern an issue of growing importance: how do you adapt the Swedish welfare system for greater diversity? The Swedish welfare sector is changing and it is, judging from Chapter Two, safe to assume that greater diversity among providers of welfare services will occur as a result of these changes. The need for a change of the Swedish welfare state can be understood in both economic and democratic terms. The financial foundations for the Swedish welfare state are changing and this will have to be addressed at some point. There are of course those who question the substance of the claims of long-term changes in the economic conditions of the welfare state and this will be discussed in greater detail below. The need for democratic change is based on a more normative understanding of the desirability of a certain level of democracy, but there are no structural indications that the conditions for the democratic rule of the welfare state are deteriorating in the same manner as the economic foundations. The need for change in the democratic base of the welfare state is due to the retreat of representative democracy in terms of fewer and fewer political representatives and lower voter participation compared to the formative years of the Swedish welfare model. It is argued here that both the economic and the democratic challenges might be helped by considering the potential of the third sector, at least to a greater extent than what is the case today.

An Analysis of means to meet the challenges to the Swedish welfare state raises questions about the cause of change in society. A study like the present one is, of course, dependent on the assumption that political action is a possible means to create societal change. A different
study might not have made such an assumption, which only illustrates that to do so is nothing more than a choice made by the individual researcher.22

4.1 The democratic challenges

Lennart Lundquist writes that when Swedish democracy starts to deteriorate it will not be through a violent upheaval but rather through the gradual erosion of democratic institutions from within and a concomitant process in which institutions cease to serve the purposes they were intended to fulfill (Lundquist 1999, p.226). He continues:

During the last decades have there been great changes in Swedish society and its political system. Several of the institutions that have carried the system no longer work in the same manner as they did before (Lundquist 1999, p.226) (author’s translation)

Lundquist explains that the level of democracy is not constant just because the political system is constant. The best way to preserve democracy is not to preserve political institutions but to develop new means of political participation that meet the democratic challenges of the present and future. Even if we like to think that the existing system of representative democracy is the best or perhaps the only system for political participation, we still have to recognize that things have changed since the 1950’s. The institutions for representative democracy are the same today, but due to efforts in recent decades to reach higher levels of efficiency to support the growing welfare state, these institutions do not function the way they used to. This is why we need to look at current democratic challenges and adapt and expand the means of political participation accordingly.

The plural form in the title “democratic challenges” is not chosen by coincidence; the challenges really are plentiful and varied in character. The two principal types described here are declining voter participation and dismantling of institutions for representative democracy. The latter could be divided into two subcategories, the decrease in number of elected offices and the professionalization of local government as seen in the expansion of the municipalities’ administrative resources. It is important to take note of the issue of different political levels at this point. Most of the democratic challenges described below are

22 For a further discussion on this topic see for instance Bjereld et al. (2002)
found at the local level, since it is the municipalities that are the primary provider and administrator of welfare services in Sweden. Some of the figures mentioned in the section on voter participation refer to the parliamentary elections on the national level. The reason for this apparent inconsistency is that declining voter participation is a national phenomenon and thereby not particularly dependent on local circumstances. Another reason is that the levels of participation in local elections and national elections are very similar, since they take place simultaneously. Voter participation in the elections for the European Parliament is also mentioned briefly in the same section, even if these figures are brought up to exemplify how low voter turnout is a real possibility even in a traditionally lively democracy like Sweden when the distance between representative and the represented becomes too great.

4.1.1 The many channels of democratic input
To describe challenges to democracy is a risky undertaking considering the many different definitions and conceptions of democracy that exist both in political science and society as a whole. This study relies on the theoretical assumption that democracy can be practiced in several different ways, both within the formal political institutions and between them. Below follows a presentation of the declining voter participation and the decrease in number of elected offices in Sweden during the post war period. According to the present theoretical foundation, such a democratic challenge can be in part compensated by popular, democratic engagement in civic activities and participatory democracy, that the different modes of democratic activity are exchangeable means to the same goal: a working democracy. From this understanding it is plausible to see user participation in welfare services such as childcare as a practical measure to counteract the crumbling of the democratic foundation of the welfare state. This view is described by Möller, who mentions three different channels of political influence for citizens of a nation:

1. The parliamentary channel – The traditional citizen role where political influence is practiced through participation in general elections
2. The organization channel – The practice of influence through membership in organizations independent from the state
3. The user channel – The practice of influence through freedom to decide over the services\textsuperscript{23} one uses, alone or together with other users

(Möller 1996, p.22-23)

Not all political scientists share this understanding but the thought of democracy as taking many forms in modern society is well founded in the history of political thought. The perhaps most read and commented work on challenges to democracy is that of the American political scientist Robert Putnam, most notably his book *Bowling Alone*, where he studies the declining social capital in America as seen in declining civic engagement. What makes Putnam’s version of civic engagement so interesting is that it includes both strictly social activities such as bowling, bridge, potlucks and after school activities as well as voting and working for political parties (Putnam 2000). To Putnam, these activities are all examples of the same kind of democratic input into society, there is no principal difference between showing up to vote on election day and participating in local parent-teacher meetings. This all-encompassing view of democratic activity is not completely uncontroversial, but it is fair to say that Putnam’s writings increased awareness and interest in studies of democracy as something existing both within and between formal political institutions. A common objection to the idea that user participation can be seen as democratic input in the same way as participation in representative institutions is that user participation is based on private interest, which threatens to replace the democratic universalism of the representative system with a society divided by particularism (Sörensen 1998, p.136). Sörensen argues that this objection is based on a misconception of the universality of representative democracy. There is no “pure” form of universalism, according to her; what is perceived as the universal is just a particular social construct that has reached a hegemonic position and it is the universalization of particularisms that constitutes society as a unity (Sörensen 1998, p.137). The introduction of user participation therefore compliments rather than replaces representative democracy.

Putnam based his view on democracy on a long tradition. He dug through decades of neo-institutionalism until he reached behaviorist theory and the likes of the renowned political

\textsuperscript{23}Möller firstly considers public services since he writes about “influence over the state”. Translated to “influence over society”, however, this category can cover services in general.
scientist David Easton. It was Easton who established the concept of politics as a system, something that is now so commonplace that it is hard to imagine political life of a society any other way. Easton divided society into input and outcome, where society as a whole channeled input into the political “box” in terms of demands and support. The “box” contained the political system that processes the input to produce an outcome that feeds back to society as a whole, which produces new input and so on (Easton 1965, p.110). This is of course a schematic simplification of a sophisticated theory but it is sufficient here to consider the flow of input and the reinvestments in society in terms of outcomes. The input, or the demands and support from society as a whole, consists of democratic activities both within formal political institutions such as parties and general elections, and informal organizations, providing a voice in what we would today call the third sector (Easton 1965). Easton, like Putnam, makes no principal differentiation between democratic engagement within political institutions and democratic engagement in the space between them. Easton’s behaviorist theories have roots in the pluralist and process-based theories of political science in the early 20th century, theories that challenged the old legalistic ideas of politics as something existing solemnly in the monistic political hierarchy of formal institutions (Enroth 2004). There is, in other words, a very general line of thought that runs from early pluralists like Harold Laski over process theorists like Arthur F Bentley to the behaviorist Easton and the great social capital figurehead of the 1990’s, Robert Putnam (Enroth 2004)24. This is the line of thought that this study attempts to tap into - the idea that politics and democracy can be channeled through other means than formal political institutions.

4.1.2 Voter participation

Sweden has followed an international trend towards lower voter participation in general elections25. Voter participation has dropped from 90-95% in a long stretch of elections from the 1960’s to the mid 1980’s, to land at the rather stable level around 80% in recent elections.

24 There are, of course, other lines of thought as well, for instance that exemplified by Joseph Schumpeter who argues that democracy should be based strictly on government by political elites. Schumpeter considers the citizens as unqualified for making detailed political decisions, which is an assumption that has proven difficult to test empirically (Giljam 2003, p.186-191) (Lewin 1970,2003)

25 It is not considered feasible here that an expansion of the third sector produces a corresponding increase in voter participation. Lundåsen shows that there is no significant relation between size of third sector and voter participation in Sweden (2004). It should also be noted that Sweden does have a large third sector, only not in the welfare service area that is studied here (Svedberg and Lundström 2003).
The voter turnout in the 2002 general election was 80.1%, the lowest since 1958, but it rose to 81.99% in the following close election of 2006 (SCB:s valdeltagarundersökning). Holmberg and Oscarsson (2004) conclude that there is good hope of keeping the turnout in Swedish parliamentary elections at about today’s figures or higher. Sweden has “optimized institutions” for good voter participation and as many as 76% of the eligible voters are considered “stable voters”, that is, voters who almost always turn up at the polls regardless of circumstances (Holmberg and Oscarsson 2004, p.43). The only worrying signs they notice is that young voters are slightly less “stable” and that today’s voting behavior is more conditioned - we take more factors into consideration when deciding whether to vote or not (Holmberg and Oscarsson 2004, p.43). Voter participation in the local elections follows participation in regional and national elections very closely due to using three different ballots in the same voting procedure. The local elections typically have between two and three per cent fewer of the total number of voters than the national elections have (Election Authority website)

The voter participation in the national parliamentary election is, however, still more than twice as high as the voter participation in the elections to the European parliament. The first such election in Sweden in 1995 only attracted 41.6% of the electorate, the following in 1999 had a participation rate of 38,8% the election in 2004 had an even lower participation rate with 37,9% (Statistiska meddelanden 2004). The turnout in the elections to the European parliament is hardly acceptable for a representative democracy and the democratic deficit keeps on growing with every new expansion of the EU’s area of competence. Some studies explain the lower interest in voting in Sweden with claims that Swedes find other ways to express their political views, such as participation in single-issue causes and informal political networks (Pestoff 2005, p.2). It is difficult to fully evaluate the total extent of such activities, but regardless of those new democratic forms, it is extremely serious that a welfare state like Sweden is experiencing a slide in voter participation, even a small one, since the Swedish national and local government makes so many decisions on behalf of its citizens - much more so than in a traditional liberal democracy. It is therefore perhaps more important democratically that representative democracy has a high level of participation in Sweden than it would be in a more liberal democracy, even though a high participation level of
course is desirable in all forms of democracies. The Swedish welfare state allows the above-mentioned alternative forms of political expressions or liberal exit-based forms of self-determination very little formal influence. This fact puts a lot of dependence and pressure on the representative system; if it fails to work as intended then we are left with too few and too weak democratic institutions.

4.1.3 The vanishing political representative

A great democratic challenge to the Swedish welfare state lies in the gradual replacement of elective offices with civil servants, which have been going on continuously since the end of the Second World War. This has dramatically reduced the possibility for political participation for Swedish citizens; the number of elected offices per 1000 inhabitants dropped from 25 in 1965 to 5.2 in 1974 to 4.8 in 1995 (Pestoff 2005, p.12). The decrease is even more dramatic if one considers the number of elective offices per eligible voter. In 1951 there was one office per 14 voters; in 1975 one per 75 voters and in 2002 less than one per hundred voters (Pestoff 2005, p.12). The predominant reason for the decline in number of political representatives is the two waves of amalgamations of municipalities undertaken between the 1950’s and 70’s. In 1951 there were close to 2500 local authorities in Sweden, the following year only 1039. The number was reduced to 464 during the 1960’s and in 1974 there were just 278 left, a number that has remained fairly stable since. The number of municipal council members has dropped correspondingly, from 40,000 in 1951 to just 13,000 today, in spite of the fact that the councils increased their average number of members somewhat as the municipalities grew in size (Pestoff 2005, p.9-10). The reduction in number of political representatives was not constant in all areas or in all social groups. Large municipalities fared better, with a drop of about 60-70% of elected offices, while smaller municipalities lost as many as 80-90% of their representatives. The competition for the relatively few elective offices left naturally grew considerably. This meant that the most competitive social groups strengthened their hold on Swedish politics, which made Swedish local government less representative of their constituents (Pestoff 2005, p.10). Well off, male and middle aged politicians of course existed and probably dominated already before the amalgamations, but the reduction in elective offices meant that they became the only, or close to only, representatives. Hagevi shows in his 1999 quantitative study that the fewer political
representatives and the centralizing of power to the boards and the professional politicians has been especially damaging to the already underrepresented groups - the elderly, the young and women (Hagevi 1999, p.77-78).

The number of elected officials per municipality increased as the municipalities grew in size in the 1950's, 60's and 70's. The average number of local politicians per municipality grew to 180 after the latest round of amalgamations in 1974 and continued to grow to 250 in 1980. Since then, the average number of politicians per municipality has plummeted to just 146 per municipality in 2003. The total number of elected official has dropped from 200,000 in 1951 to 42,231 in 2003 (Bäck and Öhrvall 2004, p.5). The national law regulating the local political system was liberalized in 1992, allowing municipalities to organize more freely. Under previous legislation they had to have five mandatory departments in the local assembly but since 1992 they only have to have two, the board and the election committee, plus an accounting department. The 1992 law does not directly trim down the size of the local assembly but it gives political authority to the municipalities to minimize the organization to just having a board and its functions in the election committee and the accounting department (Hagevi 1999, p.15). The local political organizations have since 1992 removed many trustee positions within the municipality. In the four years between 1999 and 2004 no less than 1862 political trustee positions were removed (Bäck and Öhrvall, p.8). This could indicate that the attempts to make local government more efficient also existed within the local political system, and that professionalization not only leads to fewer politicians but to fewer positions as political trustees, positions such as chairman, vice chairman and replacement chairman in the political organization. The local political organizations are not only becoming smaller, they are also streamlined through centralization of authority.

The number of elected officials has decreased at the local level even after the amalgamations, often due to professionalization of local politics. In the four years between the two election years 2002 and 2006 no less than 33 municipalities changed their number of mandates in the local assembly and only three of these increased the seats. All in all, Sweden lost 188 local assembly members and only gained 13, a net loss of 175 (Valmyndigheten). Many of these 33 municipalities are small, rural communities that might have had a decrease in population
due to urbanization and population flows within Sweden. This does not alter the fact, however, that Sweden lost 175 local assembly members while gaining in population on the national level. This leaves us with the conclusion that the number of local assembly members is lowered or kept down due to other reasons than depopulation on the macro level, and the most commonly expressed reason for lowering the number of local mandates is to make the local political system more efficient and professional.

4.1.4 Size and democracy

Are large municipalities really less representative than small ones? The answer to this question is not as obvious as it might seem at first. It could be argued that a vote is still a vote regardless of how many representatives end up in political offices. The citizen has, in other words, the same choice of parties and the same chance to give voice to a particular ideology regardless of the number of political representatives on the local level. Dahlberg et al shows that the size really does affect the level of representative democracy in a municipality. They show through statistical analysis that the political preferences of politicians and the political preferences of the citizens correlate much better in small municipalities than in bigger ones (Dahlberg et al 2005). They also conclude that politicians in small municipalities have better knowledge of the preferences of the citizens and that they act more accordingly to them than in a large municipality. They argue that the already performed amalgamations of municipalities have affected representative government negatively and that further amalgamations would cause further harm. They suggest that the number of political representatives should be increased following an increase in size of the municipalities (Dahlberg et al 2005). Another point to be made regarding size and democracy in municipalities is that voting is not the only political instrument that the citizens have at their disposal. Citizens must also be given the opportunity to actively participate in political life and become an elected official themselves. This opportunity is doubtlessly limited by a reduction in number of political representatives.

Sundberg, Sjöblom and Wörlund (2003) provide a theoretical framework for the relation between size and democracy, which takes us all the way back historically to the ancient Greeks. They quote Rosseau and his theories on the social bond between the ruler and the
ruled, a bond that becomes “slacker the more it is stretched” (Sundberg et al 2003, p.6) (author’s translation). de Tocqueville goes even further in his appraisal of local government:

Local institutions are to liberty what primary schools are to science; they put it within people’s reach; they teach people to appreciate its peaceful enjoyment and accustom them to make use of it (de Tocqueville in Sundberg et al 2003, p.6) (author’s translation)

John Stuart Mill continues de Tocqueville’s line of thought by arguing that local politics are the real, practical politics in which people have a realistic chance of participating. Mill concludes, therefore, that when politics become less local, it also becomes gradually more abstract. National politics are, according to Mill, a philosophical rather than practical matter for the individual citizen (Sundberg et al 2003, p.6).

Anckar (1998) studies size and party system on a national level but some of his theoretical considerations are valid for the relation between size of municipalities and democracy. He concludes that size of population correlates positively with level of organization and institutionalization, or put in terms used here, professionalization (Anckar 1998, p.39-41). Anckar further reinforces Mill’s notion of local politics being more concrete than national politics since political participation is less anonomous, which in turn makes local politics less conflict-ridden and more pragmatic (Anckar 1998, p.41) (Anckar 1999, p100).

The principal work on size and democracy is the now classic book “Size and democracy” by Dahl and Tufte (1973), in which they list the most common claims and counterclaims regarding the relation between size of the political unit and democracy. There are 27 claims and counterclaims and one clear tendency stands out among them: they all ascribe to small units a more lively and direct democracy in one way or another, while larger units are generally considered more competent and reliable in protecting the citizen and providing him or her with their worldly necessities (Dahl and Tufte 1973, p.12-15). Even if the 27 claims and counterclaims concern many different aspects of democracy they may be categorized according to these following two general conclusions. Large units mean more competent public institutions that fulfil their purpose more efficiently than smaller units do. Small units bring the citizen closer to decisions and active participation in the political process. The
citizen is also more knowledgeable about politics in a small unit and there is more homogeneity.

Ishtiaq Jamil applied Dahl and Tufte’s theories to a Scandinavian context in his 1991 research project “Size and Local Democracy in Norway”. In a report from the project Jamil tested the effect of municipality size on both democracy and service capabilities concluding that the citizens of small municipalities are much more knowledgeable about their municipality and that they both trust their local politicians more and find them more representative. Political discussions are, however, slightly more common in larger municipalities and collective political action is also more frequent. Voting turnout is equal in small and large municipalities (Jamil 1991, p.18). The capability to provide services was higher in larger municipalities, much as Dahl and Tufte theorized. More surprising was, however, that the better capability in the larger municipalities did not result in greater citizen satisfaction with the municipal services provided; citizens in small municipalities were more satisfied with their services (Jamil 1991, p.27-28). The overall conclusion made by Jamil is that small municipalities are more democratic than large municipalities when all the variables constituting his operationalization of democracy are put together (Jamil 1991, p.28).

How should one interpret these theoretical and empirical findings declaring that small local authorities are more democratic than large ones? Does it mean that the smaller a municipality is, the more democratic it is? There are good reasons to believe that size is not negatively correlated with democracy in a linear relation. There is a hypothetical risk that when a municipality becomes too small it will become unable to fulfill the functions and provide the services that people expect from their local authority. Authority will in these cases move upwards in the political hierarchy to a level that can handle it, either through formal reorganizations or through informal de facto solutions. The problem with too small municipalities is at least a feasible proposition but empirical examples are few and hard to find. In a workshop of the European Group of Public Administration in Bern in 2005 Stephen Osborne stated that Great Britain had “centralized through decentralization”. The reasoning

26 Trust in national political institutions tends to rise during election years, which should indicate that more visible politics instill greater trust among the citizens, as in the case of greater trust in smaller municipalities (Holmberg and Weibull 2003, p.49).
behind this statement was that the municipalities in the United Kingdom had been given authority over issues they did not have the ability to handle, which led to stricter legal regulations that in practice gave more centralized control over local affairs than before the decentralization.

Perhaps the best example of a country with small municipalities in Europe is France with its 36,664 municipalities, each containing on average only 1600 inhabitants, which is the lowest number in Western Europe (Lidström 2003, p.82). Sweden has 290 municipalities with an average of 30,800 inhabitants (Lidström 2003, p.26). Fraisse and Eme (2004) argue that the fragmentation into many small municipalities makes it very difficult to practice a coherent and effective social policy in childcare in France, which supports the hypothesis that too small municipalities fail to handle authority. The French municipalities are responsible for elementary schools, police, rescue services, city planning and small roads and they can in some instances volunteer to accept other responsibilities like tourism, culture and communications (Lidström 2003 p.84). Lidström points out, however, that the distribution of authority over these and other commitments is far from clear. The range of services provided by the municipalities varies with size and in some cases the regions step in and take over certain functions, sometimes in direct competition with the municipalities (Lidström 2003, p.85). The practical problems of the French municipalities are presently being addressed through the formation of confederations of local authorities, which gives larger units for service provision but continues small- scale political organizations (Lidström 2003, p.86). The development towards larger units for service provision goes in fact hand in hand with another development towards more direct democratic participation at the local level. Since the passing of a new law in 1992 the French municipalities have been able to offer frequent referendums in salient issues, which means, in other words, that the municipalities are not only becoming more efficient, they are also becoming more directly democratic (Lidström 2003, p.85-86). The conclusion to be drawn from the French example with regard to the relation between size and democracy is therefore ambiguous. The French municipalities are small with unclear and weak authority but they are overcoming some of their limitations through cooperation and expanding citizens’ democratic participation at the same time.
The difficulties with small municipalities described by Fraisse and Eme are not relevant for the Swedish exemple. The Swedish municipalities today are on average almost 20 times larger than the French - Swedish municipalities have not been as small as the French since before the first wave of amalgamations in 1952. Even if having too small municipalities is a problem in its own right and the French example has elements of this problem, this says little about the Swedish situation since Sweden has much larger municipalities. The problem of having too small municipalities is, in other words, one that can be acknowledged on a theoretical level but disregarded when studying the democratic challenges to the Swedish welfare state, especially since the trend seems to be for municipalities to keep growing from an already large size.

4.1.5 Professionalization of Swedish local politics

The reduction in political representatives was not the result of a liberal “small government” drive; it was, on the contrary, a massive expansion of government in society. The relatively few political representatives that remained after the amalgamations - affluent middle aged men - were not assigned the same amount of authority as the many representatives of the past, but were awarded even more authority, as the local government’s functions became more numerous and far-reaching. The work of governing the continuously growing welfare state was put in the hands of professional civil servants, a profession that saw a remarkable increase in number of practitioners. The exact numbers are difficult to measure since civil servants are divided into many subcategories that are not always comparable with each other or over time. Whatever way you measure, the result is roughly the same. The total number of civil servants on the municipal level increased from 60,000 in 1965 to 116,000 in 1979. The total number of employees that could be labeled civil servants at the municipal level in 1995 was 1.1 million (Pestoff 2005, p.12). The amalgamation of municipalities had several spillover effects in other sectors than the public, where the number of elected representatives was also reduced. A good example of this is that the local organization of the Social Democratic party remained roughly one branch per municipality, even after the Social Democratic government and parliamentary majority decided to cut the number of municipalities to one tenth of the initial number. The Social Democratic party thereby went from having 2,800 local organizations in 1955 to having just 288 today, with obvious
consequences for the possibilities for people to become politically organized and active. Other parties and popular social movements have had a similar development (Pestoff 2005, p.14).

Professionalization of the public sector has been buttressed by an unlikely ally in recent years. The modest but growing use of New Public Management policies for certain service areas has further “rationalized” away an additional 9000 grass root politicians. The market model has also inspired many municipalities to waive all regulations concerning transparency and public accountability for municipal limited companies (Pestoff 2005, p.13). Johan Lantto describes the professionalization process in Swedish local politics extensively and he also explains that the general conception of democracy in the municipalities is becoming more and more distant from actual reality. He argues that the general opinion seems to be that politics on the local level are participatory and practiced by ordinary citizens, while local politics in fact are managed professionally and increasingly dominated by professional politicians (Lantto 2005, p.189). He states that:

The Swedish model with many elected representatives is at risk of creating a chimera that hides the fact that the political power to decide has either been concentrated to a lesser number of trustees or delegated to the administration or the service provision (Lantto 2005, p.190) (author’s translation).

The professionalization of Swedish local politics can also be seen in a significant increase in the number of salaried local politicians. In 1954 only 14 municipalities had elected officials on the municipal payroll. In 2003 as many as 277 out of 290 municipalities paid at least one elected official, most often the chairman of the municipal board, the official that in some countries would have been called the mayor. The total number of full time salaried politicians has been quite stable for the last 30 years, but the number of elected officials receiving part time salaries has increased from 143 in 1980 to 501 in 2003 (Öhrvall 2004, p.5-6). As seen from these figures, the total number of full and part time salaried officials is still quite low, only 2.4% of all local politicians in Sweden receive any form of salary (Öhrvall 2004, p.4). The tendency is, however, clear in that the number of local politicians who receive compensation for their work in local politics has increased while the total number of elected officials has sharply declined. It is, however, important to note that causality between the
two developments cannot be established (Hagevi 1999, p.43-46). This is exemplified by the fact that Swedish municipalities were professionalized in the 70’s and 80’s without the number of political positions decreasing (Hagevi 1999, p.48). Regardless of this, the fact remains that local politicians are a lot fewer and to a larger degree paid today compared to the earlier days of the Swedish welfare state.

4.1.6 A new kind of municipality?
It could be argued that the Swedish municipality of today is a fairly new innovation, even if the establishment of the municipality as the principal unit for local government dates back to the 1860’s. The municipalities of today are in many ways different from just a couple of decades ago, both in their institutional structure and perhaps especially in their competence and authority. The municipalities are considerably larger now than they were before the early 1970’s and they have more far-reaching authority. In the late 1980’s they were given authority over the schools and in the early 1990’s over care of the elderly and non-medical psychiatric care. At present the municipalities are the main providers of welfare services - a role not fully envisioned in the early years of the welfare state. The fact that the municipalities of today are actually a different type of organization compared to the municipalities of, for instance the 1950’s, is an important aspect to be considered when analyzing the thinning out of local, representative politics.

The new, larger municipalities after the latest series of amalgamations in the 1970’s continued to expand their services during the 1980’s, evident not least in the number of staff employed. The Swedish municipalities grew, in other words, not only in size through amalgamations but in total seen in the number of municipal employees. Table 4.1 summarizes the development over the last 25 years.
Table 4.1 Total number of staff employed by Swedish municipalities

<table>
<thead>
<tr>
<th>Year</th>
<th>Full time employees</th>
<th>Part time employees</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>203,500</td>
<td>159,700</td>
<td>363,200</td>
</tr>
<tr>
<td>1983</td>
<td>218,100</td>
<td>178,000</td>
<td>396,100</td>
</tr>
<tr>
<td>1985</td>
<td>220,900</td>
<td>206,600</td>
<td>427,500</td>
</tr>
<tr>
<td>1987</td>
<td>246,700</td>
<td>227,300</td>
<td>474,000</td>
</tr>
<tr>
<td>1989</td>
<td>256,100</td>
<td>231,300</td>
<td>487,400</td>
</tr>
<tr>
<td>1991</td>
<td>376,100</td>
<td>257,500</td>
<td>633,600</td>
</tr>
<tr>
<td>1993</td>
<td>362,500</td>
<td>282,300</td>
<td>644,800</td>
</tr>
<tr>
<td>1995</td>
<td>354,800</td>
<td>303,100</td>
<td>657,900</td>
</tr>
<tr>
<td>1997</td>
<td>347,315</td>
<td>285,597</td>
<td>632,912</td>
</tr>
<tr>
<td>1999</td>
<td>359,443</td>
<td>276,005</td>
<td>635,448</td>
</tr>
<tr>
<td>2001</td>
<td>363,974</td>
<td>278,723</td>
<td>642,697</td>
</tr>
<tr>
<td>2003</td>
<td>372,899</td>
<td>284,289</td>
<td>657,188</td>
</tr>
<tr>
<td>2004</td>
<td>366,174</td>
<td>283,287</td>
<td>648,461</td>
</tr>
</tbody>
</table>

Source: The Swedish Association of Local Authorities and Regions

The figures in Table 4.1 speak volumes about the development of the Swedish welfare state in the turbulent years of the 1980’s and 90’s. The increase in staff employed by the municipalities was substantial during the 1980’s, with a clear acceleration in the economically affluent last years of the decade. The spectacular rise between 1989 and 91 can at least partly be explained by the transfer of authority for schools from the state to the municipalities. The economic crisis of the early 1990’s halted the increase and eventually led to a small drop in the number of municipal employees. This decrease, which is seen between the years 1995 and 1997 in the Table, was reversed once the economy turned in the late 1990’s and in 2003 it was completely erased. The number of employees in the Swedish municipalities seems thereby to be established on a substantially higher level during the three decades following the last wave of amalgamations, since the only small halting of the expansion was then reversed when the economy allowed.

The municipalities’ cost expenditures also rose dramatically during the same period, as might be imagined. The average cost per citizen was SEK 13,081 (Euro 1375) in 1980 (Kommunernas räkenskaper 1981). The same figure was as high as SEK 49,101 (Euro 5170) in 2005 (Kommunernas räkenskaper 2005). These numbers have not been compensated for

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27 The increase between 1991 and 95 can be partly explained by the transfer of authority of care of the elderly and the non-medical psychiatric care from the counties to the municipalities.
inflation but they still very clearly show how the cost of the municipalities has risen. Dahlberg and Mörk show in their study of local bureaucracy that the expanding municipal payrolls not only increase the economy of the municipalities but that they also affect the distribution among categories of employees. The bureaucrats receive higher salaries in times of growth and the increase in salaries does not hamper the rate of new employment in the organization. Cutbacks in times of economic deficit do not, however, affect bureaucrats to the same degree as employees in other categories such as workers in care of the elderly, childcare, schools and leisure\textsuperscript{28} (Dahlberg and Mörk 2006). The large municipalities tend to have an overrepresentation of bureaucrats both in number of employees and in cost for salaries over time, at the expense of the staff providing care and social services.

The preference for large-scale production of welfare services in Sweden is not necessarily tied to the fact that most governments since the Second World War have been Social Democratic. Paul Hirst makes the point that liberalism and state socialism share the common feature of equating large-scale production with efficiency, which in his opinion leads to centralization and bureaucratization in both systems (Hirst 1994, p.2). The inevitable lowering of accountability to the citizens that follows the development towards large-scale welfare solutions is, according to Hirst, considered a necessary trade-off for the rising levels of public welfare. The increase in size of units of production can therefore easily find support among citizens in and between elections. The desire for public welfare spurs this development and it seems to only intensify over time. Hirst’s argument seems to relate especially well to the development in Sweden during the 1980’s, when the state strained to keep up with the increasing public demand to see the peak in international economy turned into even higher levels of public welfare. The increase in production units and the subsequent rationalizations in Sweden were never intended as cost reduction measures per se, but as necessary means to allow universal provision of high quality social services in an increasing number of service areas. The continuous dual development towards larger units of production and more extensive public service provision was financed by a steady increase in municipal taxes, as shown in Table 4.2.

\textsuperscript{28} For a historical background to the position of Swedish civil servants, see Nilsson (1999).
Table 4.2 Average local income taxes over time in per cent of income.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>10</td>
<td>12.2</td>
<td>14.6</td>
<td>17.3</td>
<td>21</td>
<td>25.2</td>
<td>29.1</td>
<td>30.4</td>
<td>31.2</td>
<td>31.5</td>
<td>30.4</td>
<td>31.6</td>
<td>31.6</td>
</tr>
</tbody>
</table>

Source: Statistics Sweden

The basic principle behind the amalgamations is that the legitimacy of the welfare state depends on how satisfied citizens are with the use of their taxes and production of services. Their satisfaction with service production, in turn, is thought to depend on how efficiently and rationally it can be organized. The efficient and rational organization of services production depends, in turn, on how large the production units are, and on achieving economies of scale - in other words, the bigger, the better. In short it is assumed that big is both more beautiful and more democratic, because it is more efficient and more rational (Pestoff and Vamstad 2006).

4.1.7 Conclusions about the democratic challenges

All in all, representative democracy has been retreating so fast and for so long that we are approaching a critical point. It is unclear exactly what the practical consequences of the democratic deficit are or will be but it is likely that they are greater than is at first obvious, since representative democracy is the foundation of our society. It is also a highly normative question, since it is quite possible to have a well functioning welfare state with very little democracy at all, at least for a while. It is here assumed, however, that there is such a thing as a critical point, where more efficiency can no longer be bought at the expense of less democracy. The welfare state must find a way to fill the holes in its democratic foundations, either by reinforcing representative democracy or finding some other means for political participation. One such other means of political participation is, of course, to organize the production of welfare services under the democratic rule of its users, for instance in a cooperative or some other form of third sector organization.

4.2 The Economic challenges to the Swedish welfare state

There is a growing difference in the demand for welfare services and the municipal supply of welfare services. This gap is in size about one percent of the total consumption of municipal
services, which seen in actual money means that another 5 billion SEK (540 million Euros) has to be added to the public funds for welfare services each year beyond 2004, just to maintain present-day levels of services (Andersson et al 2004, p.25). Either five billion SEK is added each year or else the demand for services will be filled by private actors. There is, in other words, a very real pull towards diversification, given the continuation of the present development. Potentially, this diversification can reshape the face of the welfare state and the way it is handled will determine if it will also alter the content of the Swedish welfare regime as we know it.

4.2.1 The Ministry of Finance’s predictions

The Swedish Ministry of Finance conducts long-term investigations of the structural economic prospects for Sweden. The ministry produces reports on the subject and a recent report presented gloomy prospect for the universal Swedish welfare state. The main reason for this is the aging population and the eroding tax-base. The report for 2003/04 fails to identify any means of supporting the universal welfare state after the year 2020 (Långtidsutredningen 2003/04 p.171). Things will have to change drastically in the Swedish welfare state according to the report and the key question is of course “how”. This report from the Ministry of Finance brings up a few possible measures, as seen below, in this figure:

<table>
<thead>
<tr>
<th>Measure</th>
<th>Findings in report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raise taxes</td>
<td>Not realistic in the long term, already high taxes in Sweden</td>
</tr>
<tr>
<td>Increase growth</td>
<td>Some potential, but not enough to cover the loss of growth with an aging population.</td>
</tr>
<tr>
<td>Raise productivity in public sector</td>
<td>Some potential, but not enough to allow continued financing of large public sector.</td>
</tr>
<tr>
<td>Increase alternative financing of welfare</td>
<td>Fee-based services constitute such a small portion of the present financing that one would have to raise fees far beyond what is acceptable in a welfare state.</td>
</tr>
<tr>
<td>Do nothing</td>
<td>Continued demand for welfare services would spur a development towards alternative provision.</td>
</tr>
</tbody>
</table>

Source: Långtidsutredningen 2003/04

It is symptomatic of the Swedish debate on welfare issues that alternative provision of welfare services is not presented as a serious option. The “Do nothing” alternative does, of course, imply that some sort of alternative provision could fill the gap left by a retreating
public sector, but it is not treated as a serious alternative on equal terms with the other options. This could very well be a reflection of the influential image of the Swedish welfare state, which hinders researchers from thinking outside the given framework. It is attempted in the present study to treat the Swedish welfare state as isolated from that image, as a welfare state with the same challenges and the same options as other welfare states in Europe. Diversity will increase since the predicted inadequacy of the other four proposed measures will leave us with the fifth, the “do nothing” alternative. The real challenge for the Swedish welfare state is, in other words, to handle this diversity without abandoning its basic ambitions for the welfare state.

The “do nothing” category is interesting for another reason, the report assumes that a lowering of availability and possibly quality of welfare services will naturally lead to the emergence of non-public alternatives. This view is not uncommon; Olsen, for example, describes the increase in number of non-public childcare services during the early 1990’s as a natural result of the larger preschool classes and generally poorer municipal childcare facilities (Olsen 1999, p.257-258). The causality between reductions of public funding and initiatives and the emergence of non-public alternatives is fairly unproblematic; what the report from the Ministry of Finance does not bring up is the possibility to control what sort of non-public alternatives that emerges. The issue of the type of non-public alternative that might replace the retrenching welfare state is relevant if one presupposes that some types of non-public welfare provision are more compatible with the principles of the Swedish welfare state than others.

The report by the Ministry of Finance also brings up the future of childcare. The question of how a continued universal supply of childcare should be managed is addressed from the basis of the four possible measures mentioned above. The possibility of increased childcare fees attracts special attention in the report, which concludes that childcare is already financed by fees to a large extent with other comparable welfare services. This is shown in Table 4.3.
Table 4.3 Welfare services and their costs

<table>
<thead>
<tr>
<th>Type of service</th>
<th>Fees in billion SEK</th>
<th>Cost in billion SEK</th>
<th>Fee’s coverage of cost in percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Childcare</td>
<td>4.3</td>
<td>44.0</td>
<td>9.7</td>
</tr>
<tr>
<td>Care of the elderly</td>
<td>3.5</td>
<td>75.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Handicap care</td>
<td>0.4</td>
<td>34.6</td>
<td>1.1</td>
</tr>
<tr>
<td>Sports and leisure</td>
<td>0.7</td>
<td>9.6</td>
<td>6.8</td>
</tr>
<tr>
<td>Streets, roads and parking</td>
<td>1.2</td>
<td>9.1</td>
<td>13.6</td>
</tr>
<tr>
<td>Other</td>
<td>2.9</td>
<td>176.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Sum</td>
<td>13</td>
<td>349.3</td>
<td>3.7</td>
</tr>
</tbody>
</table>

Source: Långtidsutredningen 2003/04, p.137

These figures support the notion that among social services, childcare is leading in the departure from the publicly financed, universal welfare state. This of course also supports the choice of primary study object.

The report from the Ministry of Finance looks at the importance of fees to the old system, where the public sector provided all the welfare services. The report is based on structural data and therefore calculates fees as percentage of the existing Swedish welfare system, which means it only captures the alternative financing of the provision of childcare as it reflected in the image of the Swedish welfare state (Långtidsutredningen 2003/04, p.138-139). The value of increased participation by parents in cooperative childcare is, notably, not taken into consideration, even though this constitutes two thirds of the privately run childcare in Sweden today (Pestoff 1998, p.174-175). Parent cooperatives and worker cooperatives are a growing form of childcare provision, which constitute some of the increased diversity in the Swedish welfare system. Given the gloomy prospects for the present welfare system, it is very likely that this kind of provision will continue to grow in number. The report quoted above implies that such is the case, since the continued demand for welfare services will spur on alternative provision to fill the void left from the retreating public sector. Still, there are no plans for how to cope with such a development in the long-term prospects for the Swedish welfare state.

The Ministry of Finance report is interesting for many reasons:
• It draws up the financial prospects for the publicly-funded welfare state and states that the current financing system is incompatible with the future cost situation. Future increased diversity is indirectly implied but not added to the calculation.
• It illustrates the lack of vision in the Swedish welfare state, especially in the area of alternative provision of welfare services. The report reflects a fixation with the present system that even ignores today’s levels of diversity and that holds no plans for a further future increase in diversity by augmenting the role of the third sector.
• It makes evident that childcare stands out in terms of diversity and thereby constitutes a suitable subject for empirical study.

The findings in the report from the Ministry of Finance should, considering the three points mentioned above, be a good starting point for a systematic look into the Swedish welfare state and its ability to cope with diversity.

4.2.2 Economic challenges in question
The findings in this very influential yearly report are widely accepted, in spite of the tone of determinism that accompanies them. There are, however, examples of objections that have been raised against some of its conclusions. Perhaps the most substantial objection is delivered by Andersson et al.(2004) in the shape of a massive document questioning most of the report’s conclusions. The group of economists that includes Andersson is composed of researchers working for the Swedish Trade Union Confederation (Landsorganisationen). They estimate that the report could have paid more attention to the possibility of increase in the production of welfare services. The argument is that the Ministry of Finance underestimates this possibility by simply noting that the increase in productivity is higher for goods than for services. One should, they argue, not at all compare productivity in the production of welfare services with the production of goods but with the production of private services. The public and private production of services can gain in productivity at the same pace, which should make the critical situation for the welfare state less acute (Andersson et al. 2004, p.20). The research team at the Swedish Trade Union Confederation also questions the report from the Ministry of Finance because of its failure to fully recognize
the potential that lies in increased work hours produced in the welfare services and society as a whole (Andersson et al. 2004, p 21). They look in particular at the participation of women, the elderly, impaired and immigrants in working life, and all in all they find that the total work effort, or production, in the Swedish welfare state can be increased, given an active state policy towards integration and subsidizing of production units that cannot carry their own costs (Andersson et al. 2004).

Critique such as this from the economists tied to the Swedish Trade Union Confederation asks some quite significant questions about the important findings in the report from the Ministry of Finance. It is therefore at this point warranted to further analyze the content of the report from the Ministry of Finance. The report is wholly based on structural, economic means of forecasting, which however scientific, are not without their limitations. Is it possible that one can come to different conclusions about the future of the welfare state given another perspective? To answer this question one must first analyze the basis of the argument that the Swedish welfare model as we know it is on the way out. This conception is mainly based on the following five hypotheses:

1. Increased international competition/globalization makes the Swedish welfare state uncompetitive and obsolete.
2. The ageing population will lead to increased expenses for the publicly financed welfare services, which will strain the economy beyond long-term viability.
3. Fewer working hours due to later entry into the job market and earlier departure from it, will lower the productivity of the welfare state.
4. The welfare state is based on an industrial economy that has been largely replaced by one based on services.
5. The preferences and values of the modern man and woman give the traditional welfare state less priority.

These hypotheses are more or less substantial, but it is probably safe to say that none of them are unfounded. They all deserve to be looked at and evaluated separately.
Increased international competition/globalization. The argument behind this hypothesis is that Sweden no longer can rely on its own resources but must work in competition with other countries. A more and more mobile tax bas combined with increased trade means structural challenges for the traditionally tax financed Swedish welfare state.

First of all, the globalization theory misses one very fundamental aspect with globalization in the case of Sweden: the Swedish welfare state has been very international for quite a long time. Katzenstein convincingly shows that small European countries are very flexible towards international trends, simply because they have to because of the small size of their domestic market. Adaptability more than anything else is what characterizes the economies of small countries and it also comprises a great deal of the explanation of why small European countries have such high levels of welfare (Katzenstein 1985). The small countries’ economies are already globalized, not the least in the case of Sweden, where the export industry has been the backbone of the welfare state as long as it has existed. The argument that globalization might challenge the welfare state through increased international competition might not be at all relevant in the case of Sweden and other small European countries, but rather designed with the challenges of larger countries, like Germany and France, in mind. These countries have a greater domestic market and less flexibility in their economic exchanges with the rest of the world.

The globalization argument, might, despite the above, still be regarded as relevant for Sweden, is since it implies that we are on the brink of a great change in how we live (Castells 1996, p.100). A brief reflection on this could lead us to think that in fact, we always seem to be on the brink of a great change. A common element in popular beliefs about the near future includes great changes in how we live. This perception is in fact the most common one, in fact so common that theories saying otherwise, such as Fukuyama’s “End of history” (Fukuyama 1995), stand out as revolutionary.

What are the actual effects of globalization on the national welfare state? This is of course a very complicated question to which there are many possible answers. One of the strongest arguments for far-reaching implications for the national welfare state is Castell’s ground-
breaking research in his widely-known book *The Rise of the Network Society*. The general argument in this book is that societies are becoming more and more alike and therefore their governance begins to resemble the minimal state approach today seen primarily in the USA (Castell 1996). He points especially to the mutual dependency created by globalized trade (Castells 1996, p.271). Castell also claims that the neo-liberal ideology of the 1990’s was a natural and lasting result of the lack of legitimacy that hit the “welfare ideology” and state control in the 1980’s and supports this notion with many examples of “failures” of the left in the 80’s (Castell 1996, p.161-166). By contrast, Svallfors argues that there is very little evidence that the development Castell describes is actually happening. He suggests, based on Kitschfeldt, Lange, Stephens and others, that the only countries that are converging towards a neo-liberal common model are the Anglo-American nations, which are already positioned nearest to this model (Svallfors 2000). His arguments are supported by later research by Schmidt, who argues that there are still three very distinct models of capitalism. She concludes that there has been some level of market liberalization among all forms of capitalism but that they are by no means converging (Schmidt 2002, p.141).

Svallfors also challenges the very idea that the welfare state is less competitive. He argues that what is efficient or not entirely depends on the institutional context; efficiency in the Swedish welfare state is largely a result of the functioning provision of certain welfare services, such as education and health care (Svallfors 2000). Castell’s contention that “welfare ideology” is undermined because of “failures” in the 1980’s, is also challenged by Scharpf. Scharpf argues that the crisis of the 90’s stems from the collapse of central wage negotiations due to ideological conflicts, not lack of legitimacy for the “welfare ideology” (Scharpf 2000, p.184). It was the central wage negotiations that was the special component in the Swedish welfare state, the component that kept inflation under control in spite of increased wages and public spending (Scharpf 2000, p. 185).

So why are the assumed effects of globalization so widely accepted as “truths” in the general debate, in spite of the fact that the evidence for its impact is so uncertain? Pierson suggests that the appeal of the globalization theory lies in the fact that it is so general. It is a blanket solution for the many complex questions surrounding the many nations that are facing
problems with public expenditures. The concept of one single explanation for what Pierson calls “postmodern” economic problems is of course quite dubious (Pierson 2001, p.81-82). Pierson points out that there is in fact no causal connection between globalization and reduced state capacity and fiscal stress. He argues that globalization might be a factor to take into consideration but the developments should explained by “Not change in a big way but in many ways” (Pierson 2001, p.98-99).

The effects of globalization on the Swedish welfare state are, in other words, less than clear. The possible effects cannot be ignored, but they cannot be easily identified either. There are quite a few question marks surrounding the hypothesis about the change in the welfare state, but exclamation marks are not completely absent either.

*The ageing population*. The argument here is that unusually few young people shall support unusually many old people in the near future, when the large generation born in the 40’s retires.

A first, somewhat conspiratorial, counter-argument would be that the often heard argument about the pensioners born in the 40’s is more a result of the political and media influence of this group, than actual demographic concerns. The leading political generation is simply getting worried about their autumn years, and this penetrates political discourse. The many people born in the 1940’s were once young school children demanding great attention in terms of education, child and youth care. This of course meant great expenditures to be paid for the much fewer numbers of people in their parents’ generation, which is in many ways a situation very similar to the one we face today. Still, the 50’s and 60’s was a glorious period for the Swedish welfare state, the economy was expanding and so were the welfare services. How can this be explained? Are the actual cost problems concerning the ageing population simply exaggerated? Even if they are not, it might still be sensible to look at the situation in the 50’s and 60’s and see that the concerns for the then many young people of the 40’s was overcome with an ease that seems uncomfortable to those concerned about the numbers of older people today.
What are then the great costs associated with an ageing population? Lagergren, a specialist on studies of the elderly, means that the only certain cost associated with an ageing population is pensions. He disputes that an ageing population would increase costs of health care and other social services. There is, in his opinion, no significant causal connection between high age and illness and there is no rational cause for alarm given proper attention to preventive healthcare and an active health policy (Göteborgs Posten 2004-02-08). Lagergren’s arguments are to a large degree supported by some OECD health data, which says that the connection between old population and high costs is, at best, weak. This can be seen in figure 4.2 below.

Figure 4.2 Health expenditure and age of population in selected countries

![Graph showing relationship between ageing population and health care expenditure, OECD 2000](http://www.regeringen.se/content/1/c6/01/94/52/029c8b16.pdf)

A similar study of Swedish regions also comes to the conclusion that there is no or possibly a very weak connection between old age and high public expenditure. The study showed that the regions with the oldest population were not the regions that had the highest cost for health and care of the elderly (Ministry of Health and Social Affairs). The study presented a
The political sphere is not completely without understanding for the weak connection between ageing population and health care cost. The chairwoman of the powerful Municipal Workers Union, Ylva Törn, has long argued that the ageing population is not a problem per se. She is more concerned about the fact that fewer and fewer seem interested in working with the elderly, which is quite a different problem (Dagens Nyheter 2004-03-29).

Fewer life working hours. The argument behind this hypothesis is that people of today join the active work force later and leave it earlier in their lives, which risks lowering productivity and leaving Sweden less competitive. It is also argued that people of today want to work less than they used to.
A means to question this hypothesis can, actually, be find in the above-mentioned report from the Ministry of Finance. The report concludes that since future growth in the economy will increase demand for leisure time, part of the growth will simply be consumed in fewer working hours. This consumption will, however, only lead to a continuous shortening of work hours by 0.2% per year, seen as part of a normal growth rate of between 2 and 3% (Långtidsutredningen 2003/04).

Swedish people are, no doubt, already working a lot less than they used to. During a normal year in the early 1900’s Swedish people put in some six billion hours of work. This is roughly the same figure as for today, even though there are twice as many Swedes today. We are, in other words, only working half as much today as a hundred years ago, seen as a population. The work of today is, however, 16 times more efficient than a hundred years ago, due to increasing levels of knowledge and education (Dagens Nyheter 2002-12-02). This suggests that the number of work hours is a less than perfect means of measurement of productivity. We may predict that the shortening of work hours will continue in the future but we must then, in all fairness, also take into consideration that efficiency might continue to increase at an even higher rate.

*The changing base for the economy.* The argument behind this hypothesis is that the Swedish welfare state is based on an industrial economy that is being replaced by a service-oriented economy.

Bell introduced this theory in his 1972 book *The Post-Industrial Society*, where he argues that industrial society is just a phase and that a new kind of economy is underway. Industrial society is no more of a lasting structure than the agricultural society of past eras (Bell 1972). Bell’s book is of course more than three decades old but the thought of a service-based economy has been integrated in the economic theories concerning information technology. A report from the Swedish Commission on Information Technology from 2002 claims that the service economy can be developed towards higher efficiency through the use of modern information technology, which would illustrate that the economy is moving yet further away from its once industrial nature (SOU 2002:25).
What are then the actual consequences of such a shift on the welfare state? In what way does it imply that the Swedish welfare model as we know it must change? There are some substantial arguments that say the face of the economy might be changing but that the principles and the bare mechanics of the economy are still very much the same. Nyberg, a journalist, sums up these arguments very efficiently. He contends that the notion of a service-based economy has a great flaw in that it confuses what people are producing with how they are producing it. What people are producing has, according to Nyberg, in fact changed but how it is done has not. We might be producing services instead of industrial goods but we are still doing it with an industrial organization, which in the larger picture of the Swedish welfare state is what counts. The division of labor, the rising levels of specialization, centralization and market orientation are still the same, even in an economy based on services. (Nyberg 2001).

New preferences and values. The argument behind this hypothesis is that the new “modern” man or woman does not want the same things as before. The general level of information is much higher among people today, which gives them new means of self empowerment. This supposedly makes the Swedish-styled universal welfare state obsolete because of its leaning towards collective goals and methods. This “challenge” is in a way related to democratic challenges, but the potential economic consequences of faltering willingness to fund the welfare state makes it relevant for comparison with other economic challenges to the welfare state.

There is no good way to analyze this hypothesis, since there seems to be very little research either supporting or denouncing it. It is of course fully feasible that “modern” man simply doesn’t want what the welfare state can provide anymore. However, a brief survey of the political climate in Sweden would suggest that the welfare state is still very popular. The Social Democrats normally win the general elections on traditional welfare issues and the opposition parties usually try to gain ground by adopting selected parts of them. The best example of this is of course the Conservative party’s adoption of certain traditional Social
Democratic views, vocabulary and slogans, a change in rhetoric and to some extent practice that helped them win the general election in the fall of 2006.

Svallfors points out the discrepancy between the neo-liberal arguments about a modern age demanding a new society and the high level of solidarity with the welfare state among the general population in Sweden (Svallfors 2000). One of the general points here is that opinions about the welfare state and how things should be done in it are dependent on a norm that has been established over a long time by successive Social Democratic governments. This would, of course, suggest that the popularity of the welfare state is merely a case of socialization, or being in favor of the welfare state is just a way to gain acceptance in the “group”, in this case the Swedish population. Be that as it may, there is still good reason to question the hypothesis that values and principles are significantly different today from what they were before.

4.2.3 Conclusions about the economic challenges

There is, as can be seen above, good reason to question all of the five hypotheses underpinning the assumption that the Swedish welfare state must undergo considerable changes. How does this influence the present study, keeping in mind that it is based on the notion that the traditional Swedish welfare model is changing? The questions raised above about the validity of the doomsday scenarios shape the argument in the following way: The report from the Ministry of Finance is basically right but it does not take a sufficiently broad range of possible developments into consideration, which may be normal for a structural economic report30. The report from the Ministry of Finance gives us a picture of the future, of what will happen if we do not approach these issues today. What the report from the Ministry of Finance shows convincingly is that the economic challenges will increase the level of diversity at the service provision level of the welfare state. To govern this greater diversity is a challenge in itself and one that is neither discussed, nor dismissed like the five hypothesis discussed above.

30 The analysis of the economic challenges does not rule out that taken together they might have a significant impact, only that they are each in themselves decisive. It might be, in other words, that it is not one single factor that challenges the welfare state in a major way but many challenging in minor ways.
There are, no doubt, other ways of maintaining a universal welfare state, beyond the measures presented in the Ministry of Finance’s report. It is assumed here that one such measure is to allow greater diversity in the provision of welfare service and thereby increase levels of not only co-production but also co-governance. This assumption is based on the belief that the universal welfare state of Sweden exists as a set of morals and principles, beyond the structure in place today. The non-public providers of welfare services might further our understanding of how we can retain the former even when forced to reconsider the latter.

The Swedish welfare state is, in conclusion, not doomed, as some might argue; we will have a welfare state beyond 2020 if we want to, but it is going to need some changes. Diversity is coming and it is important to find ways to make room for it in the welfare state. Diversity is, however, not the end of the welfare state, as is sometimes assumed. It is the normative understanding, based on the empirical findings presented here, that by using the right strategy we can maintain the values and high ambitions for the universal welfare state even when welfare services are not provided directly by the public sector.
Part II: A History of Swedish childcare
5. The political history of Swedish childcare

5.1 Background
The notion of running welfare services through private provision is not a new one. The kind of institutions we think of today as - usually public - welfare institutions in many cases have private predecessors, from the time before the modern welfare state. Many forms of social needs were addressed by various charity-based organizations in the late 19th century and during at least the first half of the 20th. Childcare was one of these social services; in fact the only form of institutional childcare in Sweden until the end of the Second World War was organized and run by charity organizations. The principles behind and objectives for these early childcare providers are far from those found in today’s counterparts, however. The Swedish economy was still very much family based at this time and a need for childcare represented a social failure: childcare was mainly needed in cases where the family norm had collapsed through for instance, divorce, widowhood and poverty. The focus was, in other words, very much on the charity aspect of childcare. Gustavsson looks at childcare institutions in the city of Örebro during the period from late 19th century to the middle of the 20th century, institutions which were almost always local at this time. The names of the childcare organizations in Örebro tell us a lot about their orientation; for example, “Sällskapet barnens vänner” (“The friends of children society”), “Frivilliga hjälpföreningen” (“The voluntary help association”), “Sällskapet mjöldroppen” (“The milk drop society”) and, perhaps most obvious, the wartime association, “Tysta nöden” (“The silent need”) (Gustavsson 1988, p.146-147). These organizations, which were technically relief organizations, co-existed with the city’s orphanage, which was only partly publicly funded.

The children’s organizations might have been run with the children’s best in mind and they were funded by private donations from considerate people with the best of intentions, but they did very little to change the structural factors that created the need for their services. The institutional work with children was very selective or even discriminatory; charity was often attached to certain moral demands on the children: one organization required, for example, that assistance should be given only to “poor and well behaved” children. It is said, not without foundation, that the charitable organizations worked as reflections of social
inequalities rather than as remedies (Gustavsson 1988, p.147). There were, of course, some variations even in the childcare provided before the welfare state. Stensöta (2004) distinguishes between two principally different kinds of childcare during the 1930’s and 40’s. There were the crèches, which she calls “storage” of children whose parents had to take salaried work in face of the rapidly industrializing and urbanizing social reality of the day. Then there were the kindergartens, which were aimed more directly at the welfare of the children. The kindergartens more resembled modern childcare in that they had social and pedagogical motives that were ends in themselves, not just a responsive measure to meet a palpable social need (Stensöta 2004, p.71). The crèches were clearly dominating at this time, while the kindergartens seem to have been of less relevance to society as a whole. Stensöta brings up an important reason for the growing interest in the childcare sector in at this time, besides industrialization and the subsequent increase in women’s participation in the wage labor market. There was a considerable worry in the 1930’s that people were not having enough children for the country’s stable and continuous development. The 1938 Demographic Committee pointed out this problem and suggested greater investments in the childcare sector to relieve parents - or at this time, mothers - so that they would consider having more children (Stensöta 2004, p.71-72).

Childcare was integrated into and became one of the cardinal features of the universal welfare state from the 1930’s - 40’s and onwards. In 1941, less than one of ten of the existing childcare facilities was run by the municipal authorities (Pestoff 1998, p.172). With the general expansion of the public sector, however, those proportions were in time reversed. The Social Democratic governments that in the 30’s established what would become a four decade-long era in power, actively tried to get away from charitable welfare because of its stigmatizing effect. The early Social Democratic governments sought to spread wealth among the population in order to diminish the need for charitable organizations, a policy that Rothstein calls the “Möller-line” after Gustav Möller, Minister of Social Affairs for the Social Democrats in the early 1930’s (Rothstein 1994, 98-99). The central government was also a very active participant in the development of childcare services, which, over the period of several decades, created a universal system of childcare where public involvement, on the decision-making as well as the provision level, was a dominant influence. The Social
Democratic reform was, in other words two- pronged, the “Möller-line” reduced the need for charitable organizations and an expansion in public social services covered needs that continued to multiply with industrialization, urbanization and a growing female workforce.

The political social thinking before the Social Democratic domination of Swedish politics was based on the liberal principle of “help to self-help”, which unlike the universal social democratic welfare model was not an efficient tool for countering problems like low fertility rates (Lundberg and Åmark 2001, p161). The universal welfare model that emerged during the 1930’s was, in other words, not only a means to solve issues at hand but also a tool for long- term reforms of the country as a whole. The universal welfare model not only solved social issues. It also provided the state with a very active role and the means to play it. This is why an alteration of the universal service system is also an alteration of the active role of the state and may be seen as a possible hindrance for exercising it. This goes a long way towards explaining much of the skepticism and direct opposition to non-public provision of welfare services.

Berggren and Trägårdh describe the emergence of the modern welfare state in emancipatory terms. The labor movement led the development towards political equality for all citizens and continued to dismantle the economic shackles that held the working masses subordinated in pre-democratic and early democratic times. Bergren and Trägårhdh argue that the welfare state was designed to further the emancipation of the citizens, which in Sweden, unlike in some other welfare states, led to emancipation from the inequalities stemming from family life (Berggren and Trägårdh 2006, p.234). Children of poor or negligent parents were to be liberated from the unjust circumstances their families landed them in and given equal opportunities through the removal of ties of dependence on the sometimes limited abilities of their parents. A similar process emancipated women from obligations of family life some years later and universal, high quality childcare was an essential tool in both instances (Berggren and Trägårdh 2006, p.235).

The massive initiative for public childcare after the war was part of the broader plan to build a real welfare state, and it was thereby encompassed in the general set of values and morals
of the welfare state idea. Childcare services should strive to reduce social and economic inequalities by allowing women to work under nearly equal conditions with men. The emergence of a significant public childcare sector was, however, much more than a politicization of a private area. Most of all, the new public providers of childcare answered a great need for childcare in the post-war economy; there was an extraordinary increase in childcare provision during the years and decades following the war. The size of the growth varied between different locations, but an increase of 1000% was quite possible during the three or four decades following the Second World War (Gustavsson 1988, p.152-153).

The development was this dramatic for many reasons. One of the major ones was the general shortage of labor in the work force, which encouraged women to enter the labor market or stay in the labor market if they had entered it during the war, when a large section of the male work force was enlisted in the armed forces. There were also, however, more ideological reasons behind the development. An increased demand for economic equality and equality between the sexes spurred the demand for women’s right to work. More women in the work force meant greater demands for childcare, regardless of the reasons for women to leave their homes (Gustavsson 1988, p.155). The Social Democratic governments recognized the role of childcare in the developing economy and they offered, in accordance with their government interventionist nature, both loans and subsidies for the expansion of local public childcare (Gustavsson 1988, p.156). A large part of the reason why the public sector was so dominant was that the growing need for childcare could not be met by non-public institutions. This is ironic considering that the re-emergence of the non-public sector was at least partly motivated by the fact that the public could not keep up with the increased demand during the 1980’s (Gustavsson 1988).

Public spending in the childcare sector increased considerably in the 50’s and 60’s and the source of the funding naturally went a long way towards shaping a model for how childcare was provided in Sweden. Funding was initially based on the size of the childcare facility, measured in square meters in 1944, but it eventually became based on the cost to the municipality (Stensöta 2004, p.72-73). Public funding came with very specific regulations from the national political level, which due to the lack of previous experience and practice
among the local authorities came to provide the structure of Swedish childcare, not only in terms of funding but also in other areas such as staffing. Professional staff were preferred by the Social Democratic governments for ideological reasons, which through the system of funding became the prevailing model for Swedish childcare. The extensive public funding not only created a structural framework for the childcare sector but it also fueled a massive expansion of the sector as a whole, in accordance with that same framework (Stensöta 2004, p.73).

The central government was a very active participant in the development of childcare services, which, over a period of several decades, created a universal system of childcare where public involvement, on the decision level as well as the provision level, was a dominant influence. The state in the 60’s was not only growing, it was also considered a force for renewal and its influence seems to have been legitimate at this time, not only in Sweden but also in most of Europe. The professionalization of social services was performed under the auspices of the government, much as described by Lipsky’s well-known theories on the position of the individual in large social systems (Lipsky 1980, p.104-107). As seen by Pestoff (2005), the same wave of professionalization or rationalization also removed the bulk of the elected representatives through amalgamations of municipalities, professionalization of the social services and a very large increase in number of professional civil servants to administrate them (Pestoff 2005, p.9-14).

5.2 Important legislation 1972-1996
In 1968 the Social Democratic government initiated a major study of childcare in Sweden, in a report known as Barnstugeutredningen. It took a broad approach to the subject, dealing with pedagogical as well as organizational matters. The period between 1968 and the completion of the study in 1972 was one of intensive expansion and centralization in the Swedish welfare state, which was not least noted in the childcare sector. The report makes a reference to the centralization of municipal preschools, where the different facilities had many of their management functions placed on a central municipal level - for instance the acceptance of new children. This led, according to the study, to a feeling of alienation among the staff; control over their work was taken away and given to a distant and anonymous civil
servant (SOU 1972:26, p146-147). The Barnstugeutredning recognized this as a problem and called for new forms of cooperation between administrative civil servants and municipal employees at the service facilities as well as between staff and parents (SOU 1972:26, p.147). The study briefly suggests that this problem could be overcome by greater dialogue, a suggestion that was kept vague in the text. The most concrete suggestion was that the preschools’ staff should have the right to attend meetings at the municipal boards. No suggestion for involving the parents in the governance was made (SOU 1972:26, p.147). Non-public preschools are not mentioned at all in the 1100 page-long study, but there are a few short references to organized childcare in private homes. These are described as important in the first expansion phase, but it is also said that “the goal of the planning [of the childcare] should be to gradually limit the role of the family day care as a complement to preschools” (SOU 1972:27, p.382) (authors translation).

The expansion of the public childcare sector slowed down during the 1980’s and developments during the 1990’s hinted at a change in the tide. The first non-socialist government in more than 40 years took office in 1976. Among the initiatives of the center-right government in the childcare sector was to finally remove the funding guidelines based on actual cost of the childcare facility, in 1979. Instead they introduced a more flexible way of measuring costs and thereby public funding, which was set as a percentage of the total costs for the municipalities. The new system allowed funding for part time preschools and open preschools, which broke the mold based on full time professional, institutional childcare in publicly funded preschools (Stensöta 2004, p-87). This was the first loosening up of the centralized, professionalized model for childcare in Sweden. Private childcare providers, now considered “alternatives”, started to multiply and the number of private providers slowly began to increase during the 1980’s. Many of the new private providers in the 1980’s sought new pedagogical directions that were not pursued by the public providers. In 1985 a change in the legal framework allowed for public financial support for parent cooperatives, which spurred rapid growth - their numbers doubled in only two years (Pestoff 1998, p.173). The change of the law came about after a bill from the Social Democratic government, formulated by the then Minister of Social Affairs, Sten Andersson, was passed in parliament. The bill was very controversial within the Social Democratic party as some considered it to
break with traditional Social Democratic values (Feldt 1991, p.191). It was very clearly stated in the law that only non-profit “alternatives” were to be allowed and the phrasing was such that in practice only parent cooperatives could match the criteria. Worker cooperatives, for instance, could not, since they were not run as a collective effort of the parents or by a non-profit organization (Prop. 1984/85:209).

The Social Democratic government bill 1984/85:209 was a piece of watershed legislation. The paradox is that the bill accentuated traditional social democratic values such as universality, homogeneity and large scale, conscious government plans for better and more extensive social services, while it also opened up for “alternative” provision of childcare. The opening for non-public childcare was, admittedly, quite narrow and in practice restricted to parent cooperatives and childcare run by certain approved non-profit organizations. It is, therefore, possible to see the opening for non-public providers as typical for Social Democratic welfare policy, if compared to a full inclusion of all forms of non-public providers as a theoretical alternative.

The government bill 1984/85:209 confirms every Swedish child’s legal right to organized childcare from the age of one and a half years, regardless of societal status or wealth of the parents (Prop. 1984/85:209, p.5-6). The design of and goal for all childcare in Sweden was to fit within a common framework devised by the national government in the shape of a pedagogical program, according to the 1985 bill (Prop. 1984/85:209, p.7). The pedagogical program contained such general requirements as the care for the children being carried out with adherence to such values as “democracy, solidarity, equality, safety and responsibility” (Prop. 1984/85:209, p.8). It also states, however, that active participation of parents in the childcare facility is desirable and should be given a “firmer structure” and “real possibilities”

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31 Former Minister of Finance Kjell-Olof Feldt gives a vivid description of the opposition towards non-public childcare in the Social Democratic Party in his political memoirs. He suggested in an in-depth interview book from 1984 that non-public, non-profit childcare should be tested on a small scale in order to bring in new ideas and alternatives into the childcare sector. This suggestion put him in an awkward position within the party, since many high ranking Social Democrats accused him of wanting to “make profits on children” and “not allowing children to cost money”. Feldt broke the ice on the issue of “alternative” childcare, which in his own opinion only cemented and reinvigorated the Social Democratic antipathy towards non-public childcare in general (Ahlqvist and Engqvist) (Feldt 1991).

32 Prime Minister Olof Palme was strongly opposed to for-profit childcare, as illustrated by his colorful phrasing from a speech in Solna in 1984 where he warned against creating “Kentucky Fried Children”, a reference to a chain of American fast food restaurants (Pettersson 2001, p.44).
for parents to influence. Parental influence was to be planned and organized by the staff at the childcare facility and the bill awards the manager of the preschool a special responsibility for parent involvement (Prop. 1984/85:209, p.9-10). The general guidelines for all Swedish childcare in the 1985 bill are paired with a clear designation of responsibility to the municipalities. The 290 Swedish municipalities are given the responsibility for maintaining the standards and guidelines described in the bill, but they are also given a mandate to adapt childcare to special circumstances in the local context. A note on the role of the municipality is the first mention of non-public childcare. Placing the responsibility for all childcare in Sweden on the municipalities does not mean, according to the bill, that cooperative childcare will not be allowed, just that such an arrangement will have to fit within the same framework as the municipalities’ own preschools and follow their pedagogical program (Prop. 1984/85:209, p.16-17). Certain non-public childcare is, in other words, allowed as long as it lives up to the requirements set up by the central government. The reason for including non-public providers in the Swedish welfare model for childcare was, according to the bill, to benefit from their alternative view of childcare by letting their ideas and pedagogy inspire municipal childcare.

The bill 1984/85:209 states that in order to receive public funding, a non-public service must be included in the municipality’s childcare plan and fulfill all legal requirements. The provider of the service must either be a group of parents or a non-profit organization. If these requirements are met, the 1985 bill allows full funding for non-public providers equal to that received by municipal services33 (Prop 1984/85:209, p. 23-24).

The worker cooperatives were granted funding in a special bill designed to supplement the 1984/85:209 bill. This bill was not passed until 1990 and it goes under the name 1990/91:38. Bill 1990/91:38 suggests that public funding should be granted to all staff-owned childcare facilities as long as they meet all legal requirements. Children should be accepted in the worker cooperatives on equal terms with other children on the municipal waiting list and the fee should not exceed that of the municipal preschools (Prop.1990/91:38, p.4). Bill 1990/91:38 states very clearly that for profit limited companies are not eligible for public funding, as did

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33 Municipal funding varies between different municipalities but the state funding was at this time set at 35% of the municipal cost for childcare plus a fixed sum of SEK 4000 per child (Prop. 1983/84:9, p.3)
the previous bill (Prop.1990/91:38, p.5). The reason stated for the inclusion of worker cooperatives is to ease the expansion of the sector and create new alternatives for qualified staff, although alternatives for the users are not mentioned as a motive (Prop.1990/91:38, p.4). The bill also states that the need for new positions at childcare services foreseen in 1985 was reached already in 1989 but that an unanticipated additional demand had created a situation in which new alternatives had to be considered (Prop.1990/91:38, p.2).

The Social Democratic government in the 1980’s seems to have the parent cooperatives as a first choice among alternatives to childcare in the public sector, even if many Social Democrats still preferred no alternatives at all34. Montin studied local political officials in five Swedish municipalities and their opinions on “alternative” childcare at this time in history. Some of his results are shown in Table 5.1.

<table>
<thead>
<tr>
<th>Table 5.1 Local politicians’ views of different forms of childcare*</th>
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<tr>
<td>Parent cooperative</td>
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<tr>
<td>Worker cooperative</td>
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<tr>
<td>Parent cooperative after school care</td>
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<tr>
<td>For-profit childcare</td>
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</tbody>
</table>

Source: Montin 1992. *Percentage of respondents

There is a clear pattern of views on this topic between Social Democrats and the center-right parties. Montin controlled for this variation as well, as seen in Table 5.2.

<p>| Table 5.2 Different political parties’ positions on different types of childcare |
|-----------------------------------------|----------------------------------|----------------|-----------------|----------------|</p>
<table>
<thead>
<tr>
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<th>Social Democrats</th>
<th>Moderate Conservatives</th>
<th>Liberals</th>
<th>Center Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent cooperatives</td>
<td>89</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Non-profit organizations</td>
<td>73</td>
<td>76</td>
<td>100</td>
<td>63</td>
</tr>
<tr>
<td>Worker cooperatives</td>
<td>64</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>For-profit</td>
<td>19</td>
<td>92</td>
<td>83</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Montin 1992

34 There was, however, a slow tendency towards greater acceptance of non-public childcare among Social Democrats at this time, as seen by and possibly partly because of the governmental committee on childcare and its report which was published in 1990 (SOU 1990:80, p.82-83).
Parent cooperative childcare was generally well thought of even among Social Democrats in the early 1990’s, as seen in Table 5.2. The for-profit childcare was only considered “appropriate” or “very appropriate” by the center-right parties while the Social Democrats still considered for-profit childcare inappropriate. It is therefore symptomatic that the latter form of childcare was not granted public funding until the center-right government took office in late 1991.

One of the first reforms of the bourgeois government was to replace the old criteria for public funding of childcare with a new, less restrictive, one. The reform was carried out through bill 1991/92:65 that entered the government’s protocol on the 31st of October 1991, only three weeks after the forming of the first non-socialist government in almost a decade. The purpose of the bill was to “make it easier for parents to choose the upbringing of their children and the distribution of work that fits them best” (Prop 1991/92:65, p.2) (author’s translation). The new criteria made no reference to organizational type whatsoever, they merely stated very general requirements. Eligible childcare facilities have to be registered in the municipal plan for childcare, meet quality standards with regard to staff training and not use fees significantly higher than that of the local municipal facilities (Prop. 1991/92:65, p.4). These were, however, the only criteria, which meant that for-profit preschools now became entitled to public funding, given that they met the criteria. Sweden thereby introduced a more liberal policy than for instance most German states35, the United Kingdom and Norway, where public funding for for-profit facilities is either very restricted or prohibited (The website of the Norwegian Ministry of Children and Equality 2006-12-15) (Rahilly and Johnston 2002, p.489).

The author of the bill, Minister of Health and Social Affairs Bengt Westerberg, saw a problem in that these criteria still give the municipalities authority to decide over the non-public providers that are in some respects competing with the municipalities’ own facilities. The text of the bill states that he presupposes that the municipalities will honor the intentions of

35 In the German case, the decision to exclude the for-profit preschools has to do with the principle of subsidiarity, or the principle that the services should be produced the closest possible to the users (Bode 2003) (Evers and Riedel 2003)
the bill - that is, to favor the development of non-public alternatives in the childcare sector. The bill therefore settles for a statement saying that the government in office would “follow the development carefully” in the different local contexts (Prop 1991/92:65, p.5).

The new Social Democratic government that took office in 1994 changed the legislation on public funding of non-public childcare with bill 1994/95:61. Previous eligibility criteria were not withdrawn but it was left up to the local governments to decide whether non-public childcare facilities should be allowed to receive public funding. The expansion of non-public childcare does not seem to have been slowed down to any considerable extent by this new legislation, which leads one to believe that the non-public providers were by 1994 such a significant and established factor in the total childcare sector that they could not easily be disenfranchised economically (Sundell and Ståhle 1996, p.13). The legislation of 1994 did, however, most certainly limit the financial security and increase the risks for those initiating new forms of childcare facilities.

Bill 1994/95:61 was issued on the 27th of October 1994, only a month after the Social Democrats won the election and formed a new government. The non-public providers of childcare were directly affected, as mentioned above. The center-right government had passed a law that obliged the municipalities to provide funding for non-public preschools, which was due to be implemented by the first of January 1995. Bill 1994/95:61 gave municipalities the authority to decide whether or not a non-public preschool should be allowed to receive public funding. The stated reason for this was that the Swedish model for childcare was based on equality and justice, which were guaranteed by the political sphere of society. If the municipalities would be reduced to mere administrators of funding without the political authority to decide who and what should receive it, much of the political initiative in the childcare sector would be lost (Prop. 1994/95:61, p.31). The Social Democrats also feared a greater heterogeneity between preschools with regard to fees, which might create “better” and “less good” preschools within the childcare sector. One part of the text in the bill is especially telling:

It is an essential principle that the municipalities plan and take responsibility for the publicly financed childcare. The municipalities must therefore, through their funding, be allowed to decide to what degree it is desirable to
have complementary, alternative, organizational forms within the childcare sector. [...] The government cannot allow the municipalities’ obligation to offer childcare to all children to be connected to an obligation to provide funding for private services, which takes away the municipalities’ possibility to plan and take responsibility for childcare (Prop. 1994/95:61, p.30) (author’s translation).

The Social Democratic government feared that the municipalities would be forced to finance non-public preschools that “were not needed”, which is a reasonable concern in a pseudo-market system where anyone could start a preschool but only the municipality can pay for it. The Social Democrats recognized there was a problem in that some preschools might have been started up on the basis of the funding plan announced by the center-right government. These preschool were, according to bill 1994/95:61, eligible for financial support for costs that arise when shutting down their business (Prop. 1994/95:61, p.31).

The bourgeois government that was in office 1991-1994 left few lasting results in the childcare sector, although some social democrats might argue that the development away from an all public model for childcare provision is in line with rightist ideology. Their spearhead reform in the area was their much debated vårdnadsbidrag, the cash benefit provided to parents caring for their own children at home. This reform was a core concern for the Christian Democratic party, one of the four parties in the center-right government. The idea that parents staying home with their children should receive a monthly sum representing roughly a fourth or a fifth of what a place in a preschool cost the community was a clear break from the Social Democrats’ advocacy of organized, collective childcare at preschools. Social Democrats opposed the reform especially on grounds of equality of the sexes: the reform was said to “pay women to stay at home” which was directly opposite to what all governments since the Second World War had tried to accomplish. The vårdnadsbidrag reform granted all parents not using any childcare SEK 2000 a month while parents using childcare part time would get a reduced benefit. The reform also extended eligibility to parental leave until the child’s third birthday (Prop. 1993/94:148, p.2).

The new Social Democratic government that replaced the center-right government in 1994 almost immediately reversed the vårdnadsbidrag reform, through the same bill that addressed the funding of non-public preschools, bill 1994/95:61. The stated motive for the reversal was
that the economic situation did not allow a costly social reform and that it would increase injustice and threaten equality (Prop. 1994/95:61, p.25-26). It is further reasoned in the bill that the parent with the lower salary - commonly the mother - would be dependent on another person for her income and still not increase her freedom since only SEK 1600 (Euro 170) would remain of the SEK 2000 vårdnadsbidrag after taxes, which is not enough to give any economic independence (Prop. 1994/95:61, p.26).

5.3 The reemergence of third sector childcare

There are two schools of thought when explaining the expansion of the parent cooperative movement. One way of approaching the issue is to look at the changes in legislation and other structural explanations like the fact that the expansion coincides in time with a period of generally long waiting lists at existing childcare facilities. Another way to explain the increase in numbers of parent cooperatives is to focus on the idea and value based interest in new forms of childcare that supposedly grew during the 1980’s. This explanation links together the fact that many of the new parent cooperatives practiced alternative forms of pedagogy, such as the Montessori, and that new organizational models for welfare production were discussed at this time (SOU 1991:24, p.6-8). These two schools of thought are not contradictory; they both help to explain why the number of parent cooperatives grew during especially the second half of the 1980’s. For the purpose of the present study there is no reason to concern ourselves with which of the two schools of thought is the most accurate. However, one aspect that does have to be taken into consideration is the fact that the childcare sector as a whole expanded significantly during the same period. Several political actions help to explain this expansion, for example, the 1995 “childcare guarantee” that legally guaranteed a place for every child at a childcare facility, a legal right to be upheld by the municipalities (Lidholt 1999, p.18). The most significant explanation was however that there simply were more young children at this time, the 80’s baby boomers - although this baby boom could in turn be linked to political tax reforms.

In 1995 almost one in eight children in Swedish childcare was enrolled in a non-public facility and two thirds of the private facilities were run as a parent or worker cooperative (Pestoff 1998, p.175). By 2002 a total of 57.3% of all Swedish children aged one to twelve were
enrolled in some kind of childcare and 6.9% of all children were enrolled in non-public childcare, leaving the municipal with the care of 50.4 of all children between one and twelve, in Sweden (Skolverket rapport 236, p.17). The private actors thereby had almost precisely the same proportion of the children in childcare, in 2002 as in 1995, about 12%. These figures represent all kinds of childcare, but if one focuses on preschools in particular, then the figure for private providers reaches 17% in 2002 (Skolverket rapport 236). The reason for this is of course that preschools cater for children 0-6, the years leading up to regular school. The normal age in Sweden for attending regular school is seven, which means that the need for childcare is strongly reduced at that age. The statistics for years 7-12 refer to different kinds of after-school services, which might be required for some families but far from all. Regular schools are predominately public and this public service makes the parents of children aged 7-12 less likely to use childcare, which leaves the group aged 0-6 the most relevant for private actors. The preschool is therefore by far the largest and also most relevant sector for comparisons between private and public. Table 5.3 shows recent development among Swedish preschools:

**Table 5.3 Non-public Preschools in Sweden 1998-2002**

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of children</th>
<th>Percentage of total number of children in preschools</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>44,876</td>
<td>13.3</td>
</tr>
<tr>
<td>1999</td>
<td>47,155</td>
<td>14.8</td>
</tr>
<tr>
<td>2000</td>
<td>48,717</td>
<td>15.5</td>
</tr>
<tr>
<td>2001</td>
<td>52,304</td>
<td>16.6</td>
</tr>
<tr>
<td>2002</td>
<td>55,764</td>
<td>16.7</td>
</tr>
</tbody>
</table>

Source: Skolverket rapport 236 2003, p.20 modified by Vamstad 2004

These private preschools are, as mentioned above, entitled to public funding. The funding is, however, not completely equally distributed between municipal and cooperative preschools. The levels of funding vary between different municipalities and the differences between funding for municipal and cooperative childcare is typically a few percent, it can, however, be quite a lot larger. The municipality of Östersund offers an illustration of this. Östersund’s preschools receive 10,860 Euro per child and year, while the non-public preschools receive only 7086 Euro per child and year. The municipality of Östersund explains the difference in funding with higher housing costs, requirements for specially adapted preschools for children with allergies and that the municipal preschools must keep a “buffer” of additional
places at their preschools36 (Östersunds kommun 2003, p.19-25). The difference in funding between the cooperatives and the municipalities’ “own” preschools is only one factor indicating that the local government does not fully encompass private providers.

Another aspect of private actors’ isolation has to do with self-determination. Public preschools are part of the local government’s organization, which is ultimately a political organization. There is, in other words, a natural link between popular elections, representative democracy, appointed civil servants and the provision of childcare. The private actors are outside this system, they do not participate in the political system in local government. In the case of the parent cooperatives, they have their roots “downwards”, among the parents, not “upwards” into a political system. Still, the private actors are just as affected by political regulations and lawmaking as the public preschools are. The existing local organization does not allow the participation of private initiatives, yet it sets the terms for them in a very real way. This situation is becoming more acute as the number of non-public childcare facilities multiplies. The paradox in the local government’s relation to the non-public preschools, with the private actors being excluded from, yet dependent on, the municipality, reveals the need for a governance perspective, which will be addressed in the following section.

5.4 The academic and political debate of the 1990’s
The slowing and eventual reversing of the postwar economic growth raised questions about the future of the large public sector. In the 1990’s it was getting increasingly difficult to finance the generous welfare services and even actors who would not have seriously considered them during the long period of expansion in the welfare systems, began to discuss alternative means of provision. The debate on the third sector and social services soon became divided into two highly ideologically opposing camps that were only united in the fact that neither of them could support their arguments on any substantial research, since the Swedish third sector of that time was almost non-existent and remains modest to this day. The lack of existing knowledge in the area at this time made it easy for the neo-liberal

36 The fact that the non-public preschools “cost less” even though they provide a high quality service does, of course, support the idea that third sector provision can be of importance in facing economic challenges while maintaining a high level of welfare.
elements among those in favor of alternatives to the public welfare state to ascribe to the third sector unfounded qualities that lacked both substance and public support. The shortage of knowledge also allowed, however, the welfare traditionalists in a similar but directly opposite manner to produce public images of the third sector that were purposely overly negative. The traditionalists’ arguments were well in line with traditional social democratic reasoning on the welfare state that did not acknowledge the new circumstances arising during the late 80’s and early 90’s, mainly in terms of economic challenges to the welfare state. The traditionalists continued to resist organized, unpaid labor by the parents, in spite of the fact that public funding for the preschools had to be cut by 25% in 1991-1996 due to fiscal strain, leading to an increase in number of children per preschool class from 15-16 children to 20-22 children on average (Cohen et al 2004, p.151-152). Many municipal childcare facilities also moved to less costly locations, shortened their hours of operation and removed certain types of expensive activities (Olsen 1999, p.257). The cost of childcare for the public sector was not significantly lowered during this period, but one should keep in mind that the total number of children in childcare rose sharply during these years. A constant amount of money was shared by an increasing number of children. This relationship can be seen in Table 5.4.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrolled children</td>
<td>595,000</td>
<td>622,000</td>
<td>638,000</td>
<td>648,000</td>
<td>712,000</td>
<td>761,000</td>
</tr>
<tr>
<td>Cost in billion SEK</td>
<td>40.2</td>
<td>40.7</td>
<td>40.5</td>
<td>38.6</td>
<td>38.9</td>
<td>39.7</td>
</tr>
</tbody>
</table>

Source: Lidholt 1999

The welfare traditionalists persisted with their arguments in spite of this obvious lowering of quality in the publicly financed system, and continued to dismiss the parent cooperative model with its unpaid labor as a threat to the system. These arguments resonated especially well with middle aged and elderly Swedes who remembered the economic inequalities and poorer living conditions of prewar Sweden, which if nothing else, illustrates how vague the understanding of the third sector alternative really was. In Sweden, before the establishment of the welfare state, paternalistic charity played an equally unwanted and unavoidable part in many peoples’ lives (Svedberg 1996, Antman 1993).
An often-heard argument in the Swedish debate was that social service production outside the public sector would “trap” women in their families and prevent them from pursuing opportunities for a career on an equal footing with men. This argument appeared early in the third sector debate and it is still used regularly (Stark and Hamrén 2000). The ideological debate in the early 1990’s mainly between neo-liberals and welfare traditionalists prevented the appearance of any serious, balanced debate about the third sector based on the understanding that it is just as far removed from the neo-liberal market model as the traditional Swedish welfare model. The third sector debate is, consequently, just as disadvantaged by its association with neo-liberals as by its being opposed by welfare traditionalists (Svedberg and Vamstad 2005). An example of a neo-liberal promoter in the debate is Zetterberg (1995) and a typical “opponent” would be someone like Gustafsson (2000) or Svensson (2001). The intensifying debate on civil society and the third sector did, however, help to spur a significant increase in academic publications on the topic during the 1990’s (Vamstad 2006).

The governmental report on the new cooperative movement from 1991 provides some striking examples of traditionalist arguments and ideas. “The parent cooperatives are just the latest whim, they will disappear once the waiting list for regular day care shortens” was one argument (SOU 1991:24, p.5) (author’s translation). Another argument was that “parent cooperatives are a way for society to give up on its obligations” (SOU 1991:24) (author’s translation) (Trygged 2000, p.11). Neo-liberal thinking was, however, also making its way into the public debate at this time, not the least following the center-right victory in the general elections of 1991. The influx of neo-liberal thinking fuelled the flames of a debate that was already suffering from overly ideological positions. The neo-liberal arguments discussed welfare services more often in terms of efficiency, productivity and freedom of choice, a terminology typical of the market sector. One element of major significance in this change in focus was that the users of welfare were being thought of and often labelled as “consumers” (Gustafsson 2000, p.108). The descriptions of growing elements of neo-liberalism in Swedish welfare service provision mainly reflect the debate in the early 1990’s. Since then there has been a much less lively debated shift towards statist policies aiming to increase homogeneity.
in the Swedish childcare sector, during the late 1990’s and the first years of the new century, as will be seen in the following section.

The debate in this area during the 1991-94 center-right government took place along a relatively traditional left-right cleavage in Swedish political life. Interestingly enough, however, the center of controversy moved to within the Social Democratic party once it had regained power in 1994, most likely as a result of the fact that the new government refrained from reversing the bourgeois government’s reforms to loosen the public sectors’ traditionally firm hold on the provision of welfare services (Rothstein and Blomqvist 2000, p.10-14). The internal debate within the Social Democratic party did not result in a total acceptance of the more liberal doctrine of the early 1990’s, as is often argued. The social democratic policies from the turn of the 21st century either show that the proponents of public sector monopoly did have some influence on practical politics or that both sides agreed, despite all, that it was important for the welfare state to remain under firm centralized, political control. This is to be illustrated by the analysis of two extensive governmental bills from this particular period.

5.5 The introduction of the maxtaxa

The increasing level of diversity in the provision of childcare is a fairly recent development and it is therefore, only possible to get an incomplete impression of the government`s attitudes or policy to this phenomenon. The history of this phenomenon is, in other words, too short to provide any substantial information. There is, however, one particular policy that can be seen as a reaction to the increasing diversity in childcare provision - the maxtaxa. This policy was a measure taken to lower the levels of diversity rather than encourage them but this is an interesting fact in itself. The maxtaxa is aimed at reversing the inclination towards diversification so that it will better suit the old system, rather than reforming the old system to suit the new development37. The maxtaxa is a result of the traditionalist view of the welfare state where the objectives for the welfare system and the means to reach them are one and the same. The maxtaxa does not directly discriminate against alternative providers in

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37 One of the express purposes of the maxtaxa was to reduce the “marginal effects” or unforeseen effects that previous system would allow to happen to certain individuals with some special personal circumstances that were not taken into account (SOU 2001:24, p.26).
the welfare system but it will be suggested in this chapter that the reform is designed with the traditional welfare system in mind.

The maxtaxa is actually a central part in a wider reform of childcare in Sweden, or possibly one in a string of reforms during the latter half of the 1990’s and the early 00’s. The most significant developments are the following:

1. On the first of July 2001, children of unemployed parents were given the right to three hours a day or 15 days a week at a preschool. The same right was granted the children of parents on parental leave (on behalf of siblings) on the first of January 2002.
2. The actual maxtaxa is a ceiling on parent fees that is based on a percentage of the parents’ salary and it was introduced on the first of January 2002.
3. General rights to preschool were granted four and five year-olds the first of January 2003.
(Skolverket 2003, p.6)

These reforms were all introduced in Bill 1999/2000:129 which was presented to parliament by the Social Democratic government through Minister of Education, Thomas Östros and Prime Minister Göran Persson on the 25th of May 2000. The bill was of interest even outside the educational and childcare sphere of politics, since it included a substantial increase in state funding of the otherwise economically independent municipalities. The introduction of the maxtaxa was voluntary for the municipalities but state funding was only granted to those municipalities that practiced it. All but about half a dozen municipalities out of 290 applied the maxtaxa from the start. The requirements for eligibility for state funding were that the preschool fee would not exceed three, two and one per cent of a family’s income for the first, second and third child respectively. The monthly fee should, however, never exceed SEK 1140 (Euro 120) for the first child, SEK 760 (Euro 80) for the second, and SEK 380 (Euro 40) for the third (Prop. 1999/2000:129, p.1-6). These fees are, of course, very modest compared to the actual costs for childcare, which are typically around SEK 10,000 (Euro 1050) a month.
A stated, common goal for all reforms proposed in Bill 1999/2000:129 was to “equalize differences in living conditions during upbringing and to create a meeting place for children of different social, cultural and ethnic backgrounds” (Prop. 1999/2000:129, p.7) (author’s translation). It is further stated that:

The preschool shall be available for all children, regardless of the family’s social and economic situation. The previous connection between childcare and working life now needs to be expanded to a right for all children to a pedagogically stimulating service that complements parental responsibility for their children (Prop. 1999/2000:129, p.8) (author’s translation).

This quote shows very clearly the guiding principles in Social Democratic childcare policy in the late 1990’s. It also illustrates the foundations of the Social Democratic welfare regime as described by Esping-Andersen in 1990. The bill aims to further the universal nature of childcare provision and use childcare for social purposes beyond working life. The mention of expanding the motivation for childcare to other areas than work is especially telling. Esping-Andersen defines the mostly Christian Democratic corporatist welfare regime as being insurance based; childcare is provided strictly to fill an apparent need. The Social Democratic welfare regime uses childcare to further a wider social agenda according to Esping-Andersen, which seems to be reflected in the quote from the governmental bill above (Esping-Andersen 1990).

Bill 1999/2000:129 clarifies some of the motives behind the maxtaxa. One such motive is a very general appreciation of the beneficial effects on the children of attending preschools. The maxtaxis is to a large degree a measure aimed to make these assumed qualities available to every child in Sweden (Prop. 1999/2000:129, p.28). A second stated motive is to pinpoint direct financial support of families with children and a third is to support them indirectly by allowing both parents to work to a larger degree. The bill also makes a case for the maxtaxis as beneficial for the economy as a whole as argued in the quote below.

Many women who desire to enter working life but are refrained from doing so because of an all too modest economic improvement [due to costs for childcare] will now find it more profitable to be gainfully employed. It will also be more profitable to work more hours. In this way [the maxtaxis] stimulates work force participation and
being economically independent through gainful employment. This is, not least, desirable with respect to equality of the sexes (Prop 1999/2000:129, p.30) (author’s translation).

The bill also directly addresses the issue whether or not the maxtaxa will hurt the non-public “alternatives” and thereby forward a more traditionalist form of welfare state. This section is also best read in its entirety:

Questions have been asked whether the private services’ chances of offering an attractive alternative to the municipalities will be removed by the maxtaxa. Parent cooperatives, for instance, are often run at a lower cost because parents contribute with their own labor. The parent cooperatives have other qualities that make them attractive to many parents. If a service other than the municipal wants to have a lower fee than that stated by the maxtaxa, then this will of course be possible (Prop 1999/2000:129, p.28) (author’s translation).

The statement about parent cooperatives having other qualities than merely being affordable is, as shall be seen further on, supported by the primary empirical material used herein, but the notion of being able to maintain a lower fee than the maxtaxa is not. The parent cooperatives gained great popularity especially in the more urban municipalities in the 1980’s, largely due to the fact that they often offered childcare for less than SEK 1000 per month whereas other forms of childcare - if available at all - could cost as much as SEK 3000. The maxtaxa has now reduced the cost of childcare for all forms of provision to nearly the same levels as the parent cooperatives or lower. The users of parent cooperatives still pay the same amount in cash and the same amount in labor while users of other form of childcare pay as much as the users of parent cooperatives in cash and nothing in labor. Bill 1999/2000:129 only discusses payments in cash.

The other reforms proposed by the bill were also well in line with traditional Social Democratic welfare policy. The proposal to grant children of unemployed parents a universal right to a certain amount of childcare is one such example. The stated motive for this reform was to offer a complement to the home environment for all children, as seen in the following quote:

The primary reason for the government proposal is the child’s need for what the preschool can offer as an complement to the home, pedagogical stimulation for development and education, access to a group of children
where positive relations between children and between children and adults can be developed, an environment designed and equipped for children’s development, play and education (Prop. 1999/2000:129, p.22) (author’s translation).

Childcare as a means for social betterment should not be denied any children just because their parents are unemployed. The use of childcare to instill certain skills and values in children explains much of the urgency among Social Democrats to keep the childcare homogenous and under the direct control of representative democracy at primarily the local level. Non-public childcare is of the same quality as municipal childcare and it fulfills all the goals for equality, economy and democracy in the welfare state. Non-public childcare does not, however, offer the same direct social political tools as municipal childcare does.

Heterogeneity among the municipalities is a great concern in Bill 1999/2000:129. Varying conditions among municipalities are generally considered a problem and something that the bill’s authors aimed at removing. It was noticed, for instance, that access to childcare for children with unemployed parents is only available in 28% of the country’s municipalities (Prop 1999/2000:129, p.11). The bill, of course, raised this number to nearly 100%, creating the same conditions in all Swedish municipalities.

In 1999 the Social Democratic government introduced an entitlement to preschool for four and five year old children. The government promoted integration between preschool, school and after-school care, where a joint program for the different levels of education38 can improve the management of all three of them. A unified model for all care and education of children will raise its quality, according to the bill (Prop. 1999/2000:129, p.18-19).

The National Agency for Education, Skolverket, describes the reforms mentioned above as aimed at increasing accessibility of education and childcare. Special consideration is taken to integrate childcare into the general welfare system and a right for everybody living in Sweden, regardless of their economic or social conditions (Skolverket 2003, p.6). The direction of Swedish welfare is, in other words, towards even higher levels of universalism,

38 All three have been the responsibility of the Ministry of Education since 1996. Until that year childcare was the responsibility of the Ministry of Social Affairs.
a development that could be said to have started when the responsibility for childcare was transferred from the Ministry of Social Affairs to the Ministry of Education in 1996 (Bergqvist and Nyberg 2001, p.254). This transfer of responsibility signaled a labeling of childcare as a service that is naturally integrated into the welfare state, much the same way as the compulsory school. The renewed efforts to increase universalism in Swedish childcare are not necessarily direct measures to increase the public sector’s share of the provision. The pursuit of universalism is rather a way to reinforce the traditional values of the welfare state, which is, of course, closely related, yet not synonymous with public provision of services.

The maxtaxa has, however, been said to indirectly favor public provision of childcare. It is easy to see how the limits to the economic freedom for non-public providers might give their public counterparts an advantage. Some parent cooperatives complain that their economic advantage was eliminated by the maxtaxa. Before 2002, they could offer a lower monthly fee and instead have the parents do some or most of the non-pedagogical work at the cooperative. This way they became a competitive alternative to municipal childcare, which most likely explains some of the increase in numbers of parent cooperatives during the 1990’s. The maxtaxa made municipal childcare equally inexpensive, without any obligation for unpaid work for the parent at the preschool. The maxtaxa also limited the non-public preschools’ possibility to finance their business independently from the public sector, since the ceiling on the monthly fee made them more dependent on state subsidies (Skolverket 2003, p.42). The non-public providers of childcare were eligible for compensation for their possible loss in income but most appear unclear whether such losses have been sufficiently covered by this compensation. The National Agency for Education called upon the municipalities to document how the non-public providers were affected economically by the maxtaxa, but the results of this documentation appear inconclusive. There is at least one indication, however, that the non-public preschools did not receive more public money after the introduction of the maxtaxa. The special governmental grant for quality assurance, which is supposed to even out economic conditions for different preschools, did not benefit the non-public childcare providers to a larger degree than before the maxtaxa. The non-public preschools portion of this special grant remained at 12% in both 2001 and 2002 (Skolverket 2003, p.43).
The first available parent surveys since the introduction of the *maxtaxa* show that a majority of parents are positive towards the reform. A survey of a thousand families with children in childcare, performed by the Swedish Trade Union Confederation in 2002, gave the result seen in Table 5.5.

**Table 5.5 Attitudes towards the maxtaxa*.**

<table>
<thead>
<tr>
<th>“Do you think that the maxtaxa is...?”</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Very good</td>
<td>35</td>
</tr>
<tr>
<td>Quite good</td>
<td>27</td>
</tr>
<tr>
<td>Neither good nor bad</td>
<td>12</td>
</tr>
<tr>
<td>Quite bad</td>
<td>8</td>
</tr>
<tr>
<td>Very bad</td>
<td>8</td>
</tr>
<tr>
<td>Not sure</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

*Percent of respondents

These opinions were relatively evenly spread among different groups of people. The variable for party affiliation, for example, indicates that support is stronger among parents voting for leftist parties, but also that the differences from rightist families are relatively small. The only exception is families voting for the Christian Democrats, who are significantly more negative to the *maxtaxa* than all the other groups of parents (Fransson and Wennemo 2002, p.17).

Mörk et al. (2006) provide an independent evaluation in their paper on the effects of the *maxtaxa* on working life participation. These Uppsala University researchers use two municipalities, Kalix and Karlstad, which did not adopt the *maxtaxa*, as a basis for a comparison with all those that did. The cost of childcare for a two parent family with one child in Karlstad was SEK 156 below the national average per month before the *maxtaxa* and SEK 863 above the national average after the introduction of the *maxtaxa*. The same figures for Kalix were SEK 426 lower and SEK 863 higher respectively. The figures for single parent families show a similar but even greater shift in comparison with the national average, since the *maxtaxa* follows earnings progressively. The comparison between the two municipalities and the average of the others does not show any statistically significant increase in working life participation (Mörk et al. 2006, p.17). They also compare municipalities that radically reduced childcare fees with those where the reduction was limited due to already low fees.
This comparison shows that women who had their cost for childcare lowered by at least SEK 500 were 3% more likely to participate in working life. Women who had their cost of childcare reduced by less than SEK 500 were not more likely to participate in working life and there was no effect whatsoever on men and their likelihood of being employed (Mörk et al. 2006, p.32). The conclusion from Mörk et al. is therefore that the maxtaxa did not significantly improve women’s worklife participation as intended.

The most recent evaluation of the maxtaxa was presented by the National Agency for Education in the spring of 2007. The report was called “Fem år med maxtaxan” (Five Years with the Maxtaxa) and it presents the results of the maxtaxa in a number of areas (Skolverket 2007). One of the results in the report is that the decrease in number of children using family day care continues as described in Chapter Six, whereas the number of children in preschools continues to increase (Skolverket 2007, p.27-28). This is clearly the result of the last decade’s extensive reforms in the childcare area, reforms that aim to augment the universality of childcare provision through increasing the resources and responsibilities for preschools.

The Staff Study and the series of interviews in Stockholm and Östersund indicate that children do not spend significantly longer hours at preschool after the introduction of the maxtaxa, which was expected because of the ceiling on the monthly fee. The 2007 report from the National Agency for Education reaches the same conclusion. It shows, in fact, that children on average are spending shorter hours at preschool, even if this development is probably related to the fact that more unemployed and parents on parental leave with siblings gained entitlements to limited hours of childcare during the same period (Skolverket 2007, p.46).

The maxtaxa is a new development in the history of Swedish childcare. It is an interesting example in that it shows that the Swedish welfare state is still able to take expansive measures for the provision of welfare services, in spite of fiscal restraints and less than hopeful prospects for the future of the universal welfare model. The reform is not the only example of expansive measures in the childcare area but it is probably the most compelling.
The 1995 legislation that commanded the municipalities to guarantee access to childcare was another such example (Lidholt 1995, p.18). Pierson shows that social policy is highly path dependent, that retrenchment of the public sector from traditional positions in the welfare state is very difficult (Hacker 2004, p.244). Hacker interprets this in the following fashion: “Past social policy choices create strong vested interests and expectations, which are extremely difficult to undo even in the present era.” (Hacker 2004, p.244)

The development shown above goes beyond what can be explained by Pierson’s and Hacker’s arguments. The Swedish welfare state has not only reversed earlier retrenchment, it has continued to expand its services in the childcare area despite the lack of old “interests and expectations” for such an expansion. Changes might come some time in the future but the Swedish welfare state of today is still working through publicly financed reforms and regulations, aimed at furthering the traditional principles of equality and solidarity.

5.6 The councils of influence

Another recent development with possible significance for the objects of analysis is the reform launched by a bill to the parliament from the Social Democratic government in the fall of 2004. Bill 2004/05:11 deals with quality assurance in Swedish childcare and devotes a lot of attention to the issue of parent influence in the provision of childcare. “A trademark for good quality in a preschool is good dialogue, communication and active participation” the bill concludes (Prop 2004/05:11, p.67) (author’s translation?), thereby corresponding with many of the findings presented in Chapters Seven Eight and Nine. It first, however, refers to the “democratic values” that must color the care for the children. This is an often-heard argument, and it is as sympathetic as it is without real substance. What does it mean to spread democratic values and is it not rather self evident in an established democracy that democratic values are the ones that should be practiced, also in childcare?

Moving beyond this rather superficial political rhetoric, the bill proposes more practical measures. Parents are identified as the users of the younger children’s care, but it is also stated that the role of the children increases with age as they learn to express themselves and form their own opinions. The parents are actors that should be involved in the decision-
making process in a participatory democracy (Prop 2004/05:11, p.65). The proposition concludes that the users’ (parents) only opportunity to wield influence today is what they can tell the staff when dropping off or picking up their children. This is merely a matter of exchange of information, which is not sufficient, according to the Minister and her bill drafters at the Ministry of Education. Real democratic functions need to be created in order to channel user influence into the decision-making process (Prop 2004/05:11, p.66). This conclusion is much in line with the one presented in Chapter Eighth, even if it is remarkable that the bill seems ignorant of the fact that a considerable proportion of Swedish preschools are already run as parent cooperatives with much more far-reaching participatory institutions than the ones proposed by the bill. Nevertheless, the bill suggests a more deliberate effort to increase participation by users in the provision of childcare, which is a new idea in the public sector.

One problem identified in the bill is that the number and extent of democratic functions varies between different municipalities, which can be resolved in the following fashion: “It mustn’t be up to the individual municipality to decide whether they want to work with matters of [user] influence or not” (Prop 2004/05:11, p.67). (author’s translation?) The opinion that the variation between municipalities is the greatest problem could be seen as a typical expression of a centralistic, universal welfare state.

A practical measure, introduced in Bill 2004/05:11, to deal with the inconsistencies in the democratic functions among Swedish childcare facilities are the so-called “Councils for Influence”. The central government has designated the municipalities as the relevant political level for the implementation of the Councils for Influence in Sweden’s preschools. The Councils for Influence should work as an arena for active user participation at the preschool, where parents and staff work together and where opinions of parents can be put into practice at the preschool. Once again, this sounds a lot like the system already in place at parent cooperatives, even though there is no mention of cooperatives as a role model in the proposition39. The bill specifies two separate aims for the Council of Influence: it is to be 1) a

39 The municipality of Kalmar in the south east of Sweden has done research on parent cooperatives together with Kalmar University College, in order to learn more about parent participation in childcare provision, which is a rare example of local government turning to cooperative service providers for guidance (Johansson 1990, p.2)
for discussion and 2) a forum for information (Prop 2004/05:11, p.67-68). There is still some question as to whether or not the Council for Influence can actually empower parents in governing the preschools. The bill states that users will be able to discuss and present their opinions, along with the staff of the preschool. There is no indication, however, whether this will provide the basis for actual, formal decision-making. The closest the bill comes to determining the formality of the decision-making process is to mention that the Council for Influence should constitute a “regulated structure for influence”. It is not clear from the wording in the bill if the for-profit preschools are to adopt the measures suggested. The third sector preschools, of course, already practice them.

It might be of interest to reflect briefly on the political nature of this proposition. It implements democratic principles in the individual childcare facilities through a central political process completed by a piece of lawmaking. To install user influence by political decisions coming from above is a common democratic measure for the Swedish welfare state; the active state intervenes directly in matters of equality and democracy.

The paradox in this specific case is that there already is a system that goes further than the one suggested in the bill and it was created by the parents themselves, from below. It is interesting that the political elite in Sweden have finally recognized the lower level of the welfare state, the actual level of provision, when discussing democracy. It is also interesting that they have moved beyond the “democratic values” and “democratic culture” rhetoric and actually come to consider practical democratic functions. It is evident however that the means to achieve the political objectives have not changed in a similar manner. The values of the “from below” welfare state are being implemented with methods by the “from above” welfare state. What the practical implications of this are might be an issue that goes beyond the research questions of this study. One point that should be brought up, however, is the risk of giving a false impression of user influence. As Follesö points out, an institution for influence that does in fact not offer any real influence is nothing more than a tool to quell the citizens’ voice by making them believe that their rightful democratic opinion is being considered when in fact it is not to any meaningful degree (Follesö 2004, p.25). It is in such
cases better to have no institutions for participation at all, since the user can then create other ways for democratic participation in society.

5.7 Summary of the political history of Swedish childcare

The presentation of the political history of Swedish childcare in this chapter began in the early 1900’s when most childcare was, in a way, performed by the third sector. The third sector childcare of the first half of the 20th century has, however, nothing in common with the third sector childcare of today. Childcare at this point in history was to a large extent a charitable relief effort for those children that for one reason or another had fallen outside the family-based social structure of those days. Kindergartens with the purpose of looking after the children of working parents was a growing segment during the 1920’s and 30’s, but it was not until after the Second World War that this category began to rapidly expand. The so-called Möller line in Swedish social politics at the time called for a massive expansion of public provision of childcare in order to remove the reliance on charity. One contributing motive for this was to make women tied to family obligations available for work in the growing industries. Another motive was, paradoxically, concern over the low birth rates during the 30’s, which was seen as a result of women giving up family life for salaried work. Childcare was, in other words, important for allowing families both to have more children and to provide labor in the expanding industrial economy.

The political history of Swedish childcare can be hinged on a few central pieces of legislation. The effects of the massive expansion and subsequent professionalization of Swedish childcare were first addressed in a 1972 governmental bill. The bill recognized a growing alienation among staff in the area and proposed a few measures to counter it. The first non-socialist government in 40 years took office four years later and in 1979 it presented a bill that introduced a new way of measuring cost in childcare provision, which could be seen as a first tentative step in the direction of allowing public funding for non-public providers of childcare. The bill allowing public funding for non-public providers was, however, presented by a Social Democratic government in 1985, in spite of heavy criticism from within the party. Eligibility was only extended to the parent cooperative type of childcare in 1985; worker cooperatives were given the same rights in 1989. The for-profit type of childcare was...
not included in the publicly-funded childcare sector until the next center-right government took office in 1991. The Social Democrats did not reverse this legislation when they regained power in 1994 but they did leave it up to the municipalities to decide whether or not they wanted to fund non-public childcare.

The years of Social democratic government during the second half of the 1990’s was a period without significant legislation, but there was considerable academic and political debate in the area, especially on the topic of diversity. The debate was characterized by a polar division between welfare state traditionalists and neo-liberal proponents of market principles, with little room for any analysis of the possible role of the third sector. The outcome of the debate was that the Social Democratic government introduced a significant extension of the public sector’s commitments in the childcare area, where the maxtaxa, or the ceiling on the childcare fees, was perhaps the most significant reform. A reform with considerably less consequences for childcare was the introduction of the “Councils of Influence” that were suppose to introduce more user participation in Swedish childcare but that in actual fact did little of the sort. The political history of childcare has consisted of a development towards ever greater universality, mainly within the realm of the public sector. The center-right government and the economic recession in the 1990’s led to a halt in the extension of political reforms in Swedish childcare. These reforms were resumed when the Social Democrats regained power and the economy started to grow again in the early 00’s.
6. Swedish childcare today

Childcare is here studied as an example of a social service in the Swedish welfare state. The childcare sector is, however, in itself too diverse to be studied as a single phenomenon. It is in need of further definitions to serve the intended purpose of this study. Therefore a short overview of the childcare sector follows, including a brief specification of which parts are relevant for this study.

There are generally three types and five forms of childcare in the Swedish welfare state. Types are understood as the following three kinds of provision: municipal, for-profit and third sector, as seen in previous chapters. The third sector is in addition to this divided into parent cooperatives and worker cooperatives, as will be seen in Chapter Seven. Forms refer to the practical nature of the provision. The types considered are preschools, family day care, preschool classes in regular school and the pre and after school service for children 6-12 who are enrolled in regular primary education. The types of provision are fairly unproblematic since three distinct, dominating forms of childcare provision can be identified. There is of course room for variation in the labeling of types of childcare. Kagan exemplifies some of the different categorizations made in American research on childcare. A report called “The Connecticut Profit and Quality Study” mentions three types, “profit”, “government nonprofit” and “private nonprofit”, which are roughly the same as used here. Kagan also mentions a study called “National Child Care Staffing Study” which differentiates between “chain profit” and “independent profit”, “nonprofit church based” and “other nonprofit” (Kagan 1991, p.93). This latter categorization has its merit in that for-profit childcare in large chains indeed has other characteristics than those of independent for-profit providers that more resemble other non-public providers. The church-based category is, however, too specific to apply to the Swedish case, where faith-based childcare is very rare. The for-profit type of provision refers to both “chain profit” and “independent profit” childcare even if the primary material covers only the “independent” variety. The third sector category refers to all non-public and non-profit type of childcare, which in Sweden means primarily cooperative parent and staff initiatives.
The forms are harder to capture since they do not constitute parts of the same category of children. Preschools and family day care “compete” for the same children while the pre- and after school services for children aged 6-12 are a different category all together since children older than seven are rarely eligible for preschool and family day care. The intention is not, however, to capture the distribution of children between the different forms of childcare but to study their democratic functions - even though the same children might pass through for example both preschool and after school services. This thereby enables a higher level of abstraction; that is, childcare as a whole rather than childcare in a specific age group.

The inclusion of preschool classes further increases the complexity of the analysis, since it is subject to the ordinary comprehensive schools’ regulations and standards. Even if the preschool classes at a comprehensive school are quite different in nature, compared to the older children’s school classes, they are still a part of the school organization in the educational system, which is in many ways different from the ordinary preschool. The open preschool is yet another form of childcare provision, but it is difficult to analyze since, for example, it does not register attending children. The open preschool is simply a service with social purposes where parents staying home with their children can meet and form groups with other parents in the same position. The very different nature of these forms of childcare provision prohibits any kind of ceteris paribus comparison between them.

For various reasons all forms of childcare do not exist in all types of childcare. There is, for example, no municipal form of family day care; it would simply not be family day care if there was. The figure below shows which combinations are possible.

**Figure 6.1 Forms and types of childcare**

<table>
<thead>
<tr>
<th></th>
<th>Preschool</th>
<th>Family day care</th>
<th>Preschool class</th>
<th>Open preschool</th>
<th>Pre and after school childcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Third sector</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>For-profit</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

The public sector is the dominant actor in the Swedish welfare state, which can be seen by fact that they provide all forms of childcare except the one that is by definition non-public. The public sector’s dominance will be even clearer when numbers indicating size are added below. The different types of childcare and their specific role and position in the childcare sector of Sweden are presented individually below.

6.1 Preschool
Preschool, or förskola, is the dominant form of childcare in Sweden and one that is the by far most significant in all three types of childcare discussed above. The term childcare is, in fact, often used interchangeably with preschools in Swedish, which is clearly confusing. Preschools have been the favored form of childcare during recent decades; from an already high previous level, there has been a steady increase in the number of children enrolled at preschools. The increase is, at least in part, due to very conscious efforts from the government to include new groups in the childcare sector. Children with parents on maternity childcare leave have in recent years become eligible for childcare. The children aged 1-5 in one-parent families attended preschools to an extent of 26% in 1999, a figure that by 2002 had reached 47% (Skolverkets rapport nr 238 2003, p.22). Parents who are unemployed are similarly guaranteed the right to some childcare in preschools and the share of children with at least one unemployed parent who are attending a preschool has increased from 58% in 1999 to 76% in 2002 (Skolverkets rapport nr 238 2003, p.22). The recruitment of these groups has guaranteed preschools a steady stream of children, partly at the expense of other types of childcare, as shall be seen in the presentation of the other types.

The total number of children enrolled in preschools in the year 2002 was 333,646, which constitutes 72% of all children that age; 53% of these were in the age span 0-3 years and 17% of the enrolled children attended non-public preschools (Skolverkets rapport nr 229 2003, p.66). In terms of staff, 52,909 work years were put into the municipal preschools and 10,195 into the non-public ones, adding up to 63,164 years all together. The municipal preschools have 5.3 enrolled children per staff member, the non-municipal have 5.5. In 2002 the municipal preschools had a 51% ratio of academically trained staff and the corresponding
The preschools cost 32.6 billion SEK (Euro 3.6 billion) in 2003, which amounts to an average of 95,000 SEK (Euro 10,555) per child (Fernstedt 2004, p.20).

6.2 Family daycare

The family daycare, or familjedaghem, is a form of childcare that is provided by caregivers either academically or otherwise educated, in their own homes. The family daycare facilities are an interesting type in this overview, since they are by definition a non-public childcare form. They therefore often fall outside the Swedish welfare model, which is largely based on public provision of services. This fact has been made especially clear during the last decade when reforms such as the maxtaxa and förskoleklass have pushed the agenda of universalism even further in Swedish childcare (Vamstad 2004). The National Board of Education confirms that family daycare’s proportion of Swedish childcare has diminished since the late 1980’s, with a significant dip of 42% between the years 1998 and 2002 (Skolverkets rapport 238 2003, p.22). This drop is all the more notable given the fact that the number of children in childcare taken together has increased as a percentage of the number of eligible children (Skolverkets rapport 238 2003, p. 22-23). The figures do not reveal whether the recent policy reforms for childcare are crowding out the family day care services in favor of institutionalized childcare, although that is a fully feasible assumption.

The total number of children enrolled in familjedaghem in the year 2002 was 45,260 of which roughly half were between the ages 0-3. The number of persons employed in family day care facilities was 8493, of which 70% had some kind of relevant education. There were on average 5.3 children per employee in the family day care (Skolverkets rapport 229 2003, p.80). The family day care facilities cost 3.1 billion SEK, or 71,700 per child and year for 2003 (Fernstedt 2004, p.20).
6.3 Preschool class at the ordinary comprehensive school

The preschool classes at the ordinary comprehensive school, or förskoleklass, is a fairly new phenomenon, developing gradually during the last years of the 1990’s\(^\text{40}\). The förskoleklass is a universally available but voluntary service for children six years of age (where seven is the normal age for school attendance). Children below the age of 6 are also offered förskoleklass in many municipalities. The förskoleklass is an attempt to integrate childcare with primary school and it should be seen as a result of the transfer of responsibility for childcare from the Ministry of Social Affairs to the Ministry of Education in 1996. The National Board of Education presents the introduction of the förskoleklass as an attempt to merge the two different pedagogical approaches that characterize the two levels of education (Skolverkets rapport 236 2003). The initiative was, as mentioned above, launched along with a legal obligation for all Swedish municipalities to guarantee at least 525 hours a year of this particular service to every child six years old (Skolverkets rapport 236 2003, p.28). The effort to integrate childcare with the compulsory 9-year school and its extensive organization is not a dramatic step in a universal welfare state like the Swedish one, where childcare is considered a social right. It is a step towards the declared intention to provide “life long education” to all people in Sweden, even the very young, thus integrating childcare into a much larger pedagogical picture.

The school year of 02/03 saw förskoleklass up and running in 285 of 290 municipalities in Sweden, providing that mixture of care and education to 93,613 children, of whom 87,624 were attending municipal schools, leaving 5989 in non-public “alternatives” (Skolverkets rapport 236 2003, p.29). The staff provided 7526 work years annually in the förskoleklass, where 82% of the staff had an academic education of some sort. There is an average of 12.5 children per employee (Skolverkets rapport 229 2003, p.108). The total cost is 3.9 billion SEK a year, or 42,300 SEK per child and year (Fernstedt 2004, p.20). The introduction of this form of childcare coincided with a decline in children attending family day care and the open childcare services. It should be kept in mind, however, that the preschool classes at ordinary schools only compete with the other types of childcare in the group of six year olds, which reduces their potential impact. A survey performed by the social services in Stockholm

\(^{40}\) Preschool for 6-year olds in the ordinary primary school was considered within the Social Democratic party as early as the first half of the 1980’s but the suggestion failed to gather support at this time (Feldt 1991).
suggests that the 6000 six year-olds who have attended preschool class at ordinary schools in that city since 1993, come from a wider range of types of childcare. The authors of the report claim to find that the 6000 six year-olds switching to preschool class at ordinary primary school are replaced by a larger cohort of younger children that keeps up the figures for especially the preschools. It is, in other words, by no means certain that the decrease in children at family day care and open services are casually connected with the introduction of the preschool classes at ordinary school. One clear effect of this new type of service, however, is that the children in institutionalized care are younger - the group of children below three years old has grown significantly in years (Sundell and Ståhle 1996, p.11).

6.4 Open preschool

The open preschool or the öppen förskola is a form of service aimed at parents who are at home with their children. The open preschool differs from the other types of childcare in that it has no formal enrollment; it is merely a facility where parents can bring their children to socialize with other children and parents. The open preschool is indeed open, there is no fee and no obligations other than strictly social ones. This form of childcare is the least conventional form among the five. It should be said, however, that the open preschool for many parents provides a chance to stay home with their children, which makes it an alternative to regular childcare. Furthermore, the usually publicly funded open preschool testifies to the high priority awarded to social goals in Swedish childcare policy. Even children who remain at home with their parents should be able to spend time with other children under organized management. A less benign interpretation of the phenomenon would be that the social democratically oriented state seeks to institutionalize even those children whose parents are staying home with them.

The parents involved in the open preschool take part in the shaping of the services, usually some form of pedagogical group activities. The open preschool is in many cases coordinated with the family day care services in a manner that gives the children and the caregivers of the family day care facilities access to the open preschools and their users (Skolverkets rapport nr 236 2003, p.15). The ties between the open preschool and the family day care services are sometimes so close that it is not completely clear where one ends and the other
begins. The number of children participating in the open services can only be estimated from the number of facilities in Sweden. There are 708 öppen förskola facilities in Sweden of which only 306 are open more than 16 hours a week. There are 554 work years put into the open preschool every year and 76% of the employees are academically educated (Skolverkets rapport 229 nr 229 2003, p.94).

6.5 Pre and after school childcare

This form of childcare, in Swedish known as Fritidhem or popularly Fritis, stands out among the different forms of childcare in that it is designed exclusively for older children. It is included in this overview, however, simply because this kind of service has the same motivations and principles as other types of childcare. Children aged 6-12 attend school during part of the day but are usually dismissed in the early afternoon. This leaves several hours of the day where there is a need for childcare. One way of solving this would, of course, be if the parents could settle for the hours of care that the school provides and then care for their children themselves for the rest of the day. This would be contrary to the Swedish welfare model and its emphasis on universal accessibility of good quality service provision. The Swedish welfare model for childcare is designed to allow both parents to have equal opportunities to work and to further their personal careers and ambitions for professional life as well as studies. There is a clear gender perspective to this welfare model: women would be the most likely to give up their careers and studies if universal service provision did not help to provide equal opportunity. This reasoning applies to an equal degree to fritidhem as it does to preschools and family day care; if half of the parents’ work time has to be spent caring for children then the goals for equality are only met half way, which is no equality at all.

The fritidhem is a pedagogical, group-based type of childcare designed for after-school hours. The service is also provided during the school-free parts of the year, typically summers. Fritidhem is available for children up to the age of 12 and it is usually coordinated with regular school even though there is no formal connection between the two parts of the educational system (Skolverkets rapport nr 236 2003, p.15). In 2002 97% of children enrolled in fritis attended a facility belonging to the same organization as their school (Skolverkets
rapport nr 229 2003, p.87). Given the public sector’s dominating position in primary education, this fact clearly benefits the public providers of *fritidshem*.

There was total of 815,691 children altogether between the ages 6-12 in Sweden in 2002, 350,744 of whom were enrolled in a *fritidshem* as of the 15th of October 2002. Only eight percent of these children were enrolled in some kind of non-public facility. Most of the enrolled children were in the younger age range, some 73% of all children aged six to nine attended *fritidshem* but only nine percent of all children aged 10-12 (Skolverkets rapport nr 229 2003, p.87). In the same year (2002) 19,107 work years were put into the *fritidshem* and 57% of all employed had academic training. There was an average of 18.4% children per staff member at the *fritidshem* facilities (Skolverkets rapport nr 229 2003, p.87). The total national cost for *fritidshem* in the year 2003 was 10.3 billion SEK which makes for a cost per child and year of 29,900 (Fernstedts 2004, p.20).

The different forms of childcare provision are summarized in Table 6.1:

**Table 6.1 Forms of Swedish childcare**

<table>
<thead>
<tr>
<th></th>
<th>Number of children</th>
<th>Total cost, billion SEK</th>
<th>Cost per child, SEK</th>
<th>Number of yearly produced work years</th>
<th>Percent educated staff</th>
<th>Children/per staff ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preschool, total</td>
<td>333,646</td>
<td>32.6</td>
<td>95,000</td>
<td>63,194</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Preschool, municipal</td>
<td>276,926</td>
<td>N/A</td>
<td>95,000</td>
<td>52,909</td>
<td>51</td>
<td>5.3</td>
</tr>
<tr>
<td>Preschool, non-municipal</td>
<td>56,720</td>
<td>N/A</td>
<td>95,000</td>
<td>10,195</td>
<td>47</td>
<td>5.5</td>
</tr>
<tr>
<td>Family day care</td>
<td>45,260</td>
<td>3.1</td>
<td>71,700</td>
<td>N/A</td>
<td>70</td>
<td>5.3</td>
</tr>
<tr>
<td>Preschool class in regular school</td>
<td>93,613</td>
<td>3.9</td>
<td>42,300</td>
<td>7,526</td>
<td>82</td>
<td>12.5</td>
</tr>
<tr>
<td>Open preschool</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>554</td>
<td>76</td>
<td>N/A</td>
</tr>
<tr>
<td>Pre and after school care</td>
<td>350,744</td>
<td>10.3</td>
<td>2900</td>
<td>19,107</td>
<td>57</td>
<td>18.4</td>
</tr>
</tbody>
</table>

Source: Vamstad 2004
The figures in Table 6.1 cannot be seen as parts of a whole, since they represent partly different spheres and age groups and can therefore not be cumulatively arranged. There is still room for some reflections on the differences between them, however; for instance, something should be said about the size of the different types. Preschools are, as can be seen in Table 6.1, by far the largest form of childcare. The number of preschools remains high even though they are partly subject to competition for the five and six year olds from the preschool classes in the ordinary primary school. A plausible explanation for this is the fact that the family day care services have diminished in recent years, after the preschool classes were introduced. The preschool form of childcare is also very much larger than any other type when seen as number of produced work years. Interestingly enough, the preschools are not the most cost efficient; the cost per child is considerably higher than for the family day care. This is not to say, however, that the service produced in the two types of childcare is identical - it is quite possible that one “gets what one pays for”. The number of academically trained staff is roughly equal among the different types of preschools but the more “school-oriented” preschool classes have a higher quota of academically trained staff and a considerably higher number of children per staff member, compared to the other types of childcare. This latter fact is reflected in the low cost per child, which puts the preschool class at ordinary primary schools in a different light. The preschool class is not only a way to provide institutionalized childcare to a larger group of children and a way to introduce school pedagogy at a younger age, it is also very cost efficient.

The open preschool is a quite different type, which could be seen from the lack of comparable data in Table 6.1. It is noticeable, however, that the number of produced work years is just a fraction of that of the other types of childcare, especially compared to the preschools. This gives a low cost for the open preschools, partly because many open preschools have no regular staff other than attending parents. The open preschool has followed the decline of the family day care services, which is only logical given their close relation. One tendency is thereby clear: the small scale, private initiatives have been reduced in favor of the larger, institutionalized forms of childcare. The pre- and after school care, the fritidshem, is a different category altogether. There is clearly less cost per child and clearly more children per staff member, compared to the other types. There is, however, little room
for such a comparison since the actual service and the target group are more or less different from the others. It is still a considerable part of the Swedish childcare sector and Table 6.1 would be incomplete with out this type of childcare in it.

It is, in other words, important to consider all five forms when making an assessment of Swedish childcare. It is clear from the presentation, however, that there are great differences between the categories of what is rather sweepingly called childcare. It is therefore necessary to focus on a few of the dominating categories and specifically on the forms that allow comparison. The *fridhjem* are almost exclusively run in the public sector and therefore they lack the main characteristic that makes childcare an interesting object of study; namely, the substantial proportion of third sector providers. The open preschool will not be analyzed to any further extent either, since this category lacks many of the analytical elements, such as user participation, measurements of service quality and, not least, diversity among providers. Family day care and preschool classes at the ordinary primary school will only be dealt with through their relation to the preschools. The preschools are thereby not only the dominating form of childcare in Sweden but also the dominating form of childcare in the analysis presented in the following chapters.

The tumultuous turns of the Swedish welfare state during the 1990’s did not go unnoticed in the childcare sector. The size of the educational groups grew as public spending dropped somewhat in spite of a drastic increase of baby boom children in Swedish preschools. The early 1990’s thereby in actuality meant a considerable cutback in funding for the Swedish childcare sector. Childcare staff were harder hit by cutbacks than many other services: the Swedish childcare sector lost 9.5% of its employees between 1990 and 1997, while the schools only lost 2.3% and the eldercare services saw an increase in staff of 3%41 (Lindbom 2001, p.185). The bounce back to extensive public spending in the late 1990’s also reached the childcare sector, but in a different form than in most other service sectors. The renewed spending was directed towards completely new reforms, such as the *maxtaxa*, that expanded the childcare sector even further rather than compensation for the growth taking place in the

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41 This statistic does not include the many “trainees” that were employed as part of unemployment programs during the 1990’s, Lindbom estimates that as many as an additional 7% could be added to the total number of employees in the childcare sector during this time.
1990's. The large educational groups were kept large and the other cutbacks, like the use of less costly housing, was also institutionalized as the childcare sector was reformed to encompass groups like children of unemployed and children of parents on parental leave. Universality was increased with the new funding, while the service quality was left at the levels of the early 1990's. (Olsen 1999) (Lidholt 1999).

This is the state of Swedish childcare in general today as seen from an aggregated level. Part Three contains a closer look at childcare at the micro level in order to more specifically address the research questions of this study.
Part III: Childcare in Stockholm and Östersund
This part will present the results from the empirical studies performed in Stockholm and Östersund between the years 2003 and 2007. Chapters Seven, Eight and Nine thereby differ from the empirical chapters in part two since they are based on primary material\textsuperscript{42}. The material consists of both in-dept interviews and two different survey studies. One of the survey studies targeted the users of childcare or the parents, and the other focus on staff in different types of preschools. The results of this empirical study relates to both of the questions raised in Chapter One: namely, the challenges themselves as well as the question of how the third sector can alter these challenges facing the Swedish welfare state.

The three general themes for the analysis of the primary material are \textit{diversity} (Chapter Seven), \textit{participation} (Chapter Eight) and \textit{service quality} (Chapter Nine). Chapter Seven describes the differences between organizational types and their respective position in the Swedish welfare state. The effects of political reforms on these various types of organizations are presented and a considerable effort is made to map the values that shape the role of the different types of childcare. Chapter Eight presents three dimensions of participation in Swedish childcare, social, economic and political participation. This differentiation is made in recognition of the fact that participation can take many forms in preschools and that they all can be relevant for the research questions taken up here. Chapter Nine brings up several variables that measure service quality in childcare. Service quality is studied in order to decide whether the output of the different types of childcare is similar or at least comparable.

The primary empirical material consists of the integrated results from four different studies. These are:

\textit{Prestudy}. The first round of interviews conducted within the framework of a European research project and partly by other researchers.

\textit{Main Interview Study}. The second round of interviews carried out in 2006 and 2007, which is designed according to findings made in the Prestudy

\textsuperscript{42} Some preliminary findings where used in Vamstad (2007C) and some early results where refered to in Pestoff (2007).
*Parent Study.* The survey study aimed at the parents of children in the same 15 preschools in Stockholm and Östersund used in the Main Interview Study. Referred to as Vamstad (2007A)

*Staff Study.* The survey study directed to the staff at the same 15 preschools in Stockholm and Östersund used in the Main Interview Study and the Parents Study. Referred to as Vamstad (2007B)

The two locations involved in the study are Stockholm and Östersund, which provide two clearly different contexts. Stockholm is the nation’s capital and possibly the only major city in Sweden by international standards. Östersund on the other hand is a regional center in the geographical middle of Sweden, with a population of just 60,000 people. The different external circumstances are reflected in the organization of childcare. The highly relevant question of how large a percentage of the total childcare sector that is provided by non-public providers is one such structural difference between local contexts. The figure has varied over the last decade as can be seen in Table 7.1.

<table>
<thead>
<tr>
<th>Table 7.1 Non-public* childcare as percentage of the total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1995</td>
</tr>
<tr>
<td>1996</td>
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<td>1997</td>
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<td>1998</td>
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<td>2001</td>
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<tr>
<td>2002</td>
</tr>
<tr>
<td>2003</td>
</tr>
<tr>
<td>2004</td>
</tr>
</tbody>
</table>

Source: Kommundatabasen 2006. * For-profit and Third Sector

As is evident from Table 7.1 the proportion of non-public childcare in Stockholm has grown rapidly over the past ten years, from a fifth to close to a third of the total. The development in Östersund is similar during the studied period even if the proportion of the total is only a third of the one in Stockholm, both in the beginning and the end of the period.
The percentage of non-public providers in Stockholm as a whole was nearly three times as large as in Östersund during the last ten years. The percentage in Stockholm is, however, considerably lower than in some neighboring, smaller, municipalities such as Sollentuna (56.4%), Vallentuna (61.8%) and Täby (93.3%) (Kommundatabasen 2004). Östersund on the other hand has a large enough percentage to make a comparison relevant, which separates the town from such other peripheral municipalities as Hällefors, Degerfors and Norsjö, which only have municipal provision of childcare (Kommundatabasen 2004). Stockholm has the 11th largest percentage of non-municipal childcare among the 290 Swedish municipalities whereas Östersund occupies the 105th place (Kommundatabasen 2004).

The cost for childcare is another structural difference between the two studied areas. The net cost of childcare in a municipality is divided by the number of children aged 1-5 years which provides an index of interest in a comparison between two municipalities of such different size. The index is, interestingly enough higher in Stockholm than in Östersund in spite of the fact that Stockholm with its 765,000 inhabitants is more than 12 times bigger than Östersund (Kommundatabasen 2004). There seem to be little economy of scale in this respect. Another cost measurement is the average cost per child aged 1-5 in childcare. In Stockholm this was 132,384 in 2004 and the corresponding figure in Östersund was 127,658 the same year. These figures include cost of premises, which might be a large part of the explanation behind the high costs in Stockholm (Kommundatabasen 2004).

Service quality is one of the aspects of childcare studied that is given special attention in this research, which is why the structural differences in this area should be addressed. A widely recognized quantitative measurement of service quality is the number of children per member of the staff at a given childcare facility. The average number of children per member of the staff in Stockholm is 4.0, while the same figure in Östersund is slightly lower at 3.8. Stockholm and Östersund are thereby quite similar when compared to such exemplary municipalities like Arjeplog (2.9), Arvidsjaur (2.9), Ljusnarsberg (3.0) as well as the three “worst” cases in this respect, Pajala (5.2), Ekerö (5.1) and Upplands Väsby (5.1). Stockholm is ranked 169 and Östersund is number 112 in this regard. (Kommundatabasen 2004).
The Stockholm part of the study actually comprise not one but several local contexts, as stated in Chapter Three. The differences can be sorted into the different city wards in which the data was collected. The different wards and how many interviews and surveys in Stockholm and Östersund are presented in Table 7.2.

<table>
<thead>
<tr>
<th>Table 7.2 Primary material collected in Stockholm and Östersund</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bromma</strong></td>
</tr>
<tr>
<td>Interviews</td>
</tr>
<tr>
<td>Parent surveys</td>
</tr>
<tr>
<td>Staff surveys</td>
</tr>
</tbody>
</table>

* Central functions

The variation within the Stockholm section is great and by adding data from the rural and small town contexts in Östersund, the desired variation is complete for all practical purposes. The preschools studied in Östersund were in most cases located within city limits, with only two exceptions; one municipal preschool and one parent cooperative which was located outside of the town but within the municipality of Östersund.

The size of the different samples is further discussed in Chapter Three but a short reminder could be useful at this point. The total size for the parent survey sample is 271, with a response rate of 49.5% and the total size of the staff survey sample is 116, with a response rate of 81.1%. The samples for the different organizational types vary in size. The number of respondents for the municipal preschools and the parent cooperatives are roughly equal whereas the considerably smaller number of respondents for worker cooperatives and for-profit preschools are roughly equal to each other. This means that comparative statistical analysis might be possible between the municipal and parent cooperative samples. The point made is, however, that no comparative statistical analysis will be undertaken in Part Three where there are only descriptive statistics. The implications for these statistics on the basis of the different number of respondents are that the worker cooperative and for-profit childcare samples have a higher level of uncertainty.
7 The politics of diversity

The non-public providers are still very much the exception in Swedish childcare today. As seen by the figures given above, they constitute close to 20% of the total preschools, leaving the remaining 80% in the hands of the public sector. The political structures, formal and informal, are naturally shaped with the public provider as norm, in a system with such dominance of public actors. The general norm is, in other words, a chain extending from the political level to the public administration to the public provider in a complete system. The alternative providers only replace one segment in this chain; the actual provision. The political level still make all the major decisions and the public administration still distribute rules and regulations, along with public funding, equally among public and non-public preschools. The non-public preschools have control over the day-to-day business and to a large extent the pedagogical direction of the childcare at their specific facility. Other than that, the non-public preschools exist in a system that was created without having them in mind.

The former Stockholm citywide coordinator of childcare, a city official named Berg, describes the situation as having: “no grave obstacles to alternative care” (Pestoff and Strandbrink 2004, p.23). The last legal obstacle to alternative provision was removed in 1992 when for-profit provision of childcare became eligible for public funding since then it has been possible to run childcare any way that is in accordance with the other laws in the area. Parent cooperative childcare became eligible for public funding in 1985 but worker cooperatives had to wait until 1989 and the for-profit preschools until 1991. The non-public preschools are regulated with the same legislation as the public childcare, which is a set of rather general guidelines drawing out the minimum requirements for the preschools.

7.1 Different types of childcare and children with different social backgrounds

The Parent Study shows that there are several ways in which the users of different types of childcare diverge from each other. The questionnaires contained a few questions regarding

Note that not all childcare is carried out in preschools.
the respondent’s background and living conditions, which opened for a revealing comparison between different organizational types.

One of the results was that the users of public and non-public childcare clearly belonged to different social groups, as was expected. The total, average monthly income for families using any of the three non-public types childcare is, for instance considerably higher than that of the typical family using municipal childcare. The largest share of high income earners, those with a total income of more than SEK 45,000 (Euro 5000), is found in the worker cooperatives where 70.9% earn that much, while slightly fewer, 62.5% of the users of for-profit childcare facilities earn as much. Among the families using parent cooperative childcare, 60.9% are in the same category while only 11.6% of the families using municipal childcare have such incomes (Vamstad 2007A). This represents a considerable income difference between users of the different types of childcare. Income is obviously correlated with education and it is therefore no surprise that the users of non-public childcare have much more formal education than the parents using municipal childcare. The percentage of families with at least one parent with university education is the highest among users of for-profit childcare, where 91.7% fall into that category. Among the users of parent cooperatives 82.2% and 77.1% of the families using worker cooperatives have university education, while considerably fewer, 49.4%, are as educated in the municipal category (Vamstad 2007A).

It is also noteworthy that the users of parent cooperative childcare live in families with both parents to a somewhat larger degree than users of municipal childcare. The users of for-profit childcare are the most likely to live in two-parent families, as many as 95.8% do so. The families using parent cooperative childcare have both parents living together in 94.3% of the cases while 91.7% of the users of worker cooperatives share that situation. Only 82.6%, of families using municipal childcare include both parents. The characteristics of the three organizational types regarding these three areas are summarized in Table 7.3
Table 7.3 Income, education and family status in different types of childcare

<table>
<thead>
<tr>
<th></th>
<th>Municipal</th>
<th>Parent Cooperative</th>
<th>Worker cooperative</th>
<th>For-profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>High income (%)*</td>
<td>11.6</td>
<td>60.9</td>
<td>70.9</td>
<td>62.5</td>
</tr>
<tr>
<td>High education (%)**</td>
<td>49.4</td>
<td>82.2</td>
<td>77.1</td>
<td>91.7</td>
</tr>
<tr>
<td>Two parents in household (%)</td>
<td>82.6</td>
<td>94.3</td>
<td>91.7</td>
<td>95.8</td>
</tr>
<tr>
<td>n***</td>
<td>(89)</td>
<td>(107)</td>
<td>(48)</td>
<td>(24)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A * Income over SEK 45,000/month ** At least one parent with university education *** Total n=268

The users of non-public childcare are, in other words, better paid, more highly educated and more likely to live together with the child’s other parent. The three non-public types are grouped together by similar values in this category but the municipal type clearly diverges from this group in all three instances.

7.2 Ethnic background in different organizational types

The municipal childcare in the Skärholmen ward of Stockholm is an especially interesting case since it is a ward with great ethnic diversity. Participation in the provision of childcare is for that reason seen as a tool for integration in society as a whole. Integration and participation are therefore two interdependent issues in the ward. One manager of several municipal facilities, Despina Gramenidis, interprets staff participation as a kind of co-management between the public employees, the administration and the political sphere. The municipal employees have special meetings, where the unit manager informs them about changes in the organization. Employees are then expected to share their opinions with the management. There are also central meetings for the ward’s entire managerial staff once a month and regular meetings at the different municipal preschools, also once a month. Gramenidis notes that they don’t get many suggestions from the employees and she would like to see more. She is, however, confident that the organization works in this respect, which may be a reflection of the fact that she has been involved in developing it herself (Interview 2004-01-09).
User participation is a complicated issue in a ward like Skärholmen. There used to be a system with regular meetings with parents. This didn’t really work, according to Gramenidis. This form of parent participation did not recognize or even address some of the difficulties in a culturally diverse community such as Skärholmen. Now, there is instead a case-based method where staff sits down with parents to talk about education and raising children from the parent’s own perspective. The important part is to establish contact with the parents, Gramenidis says, “It is all about getting the parents involved” (Interview 2004-01-09). Cultural differences are another topic often discussed with the parents. Gramenidis says that they try to meet and interact with parents in many different ways. Sometimes there are parties, sometimes staff talk with parents about the children’s work or they watch videotapes of preschool activities. Taping what the children do is a popular way to give the parents insight into what goes on at the preschool. This is especially important, Gramenidis observes, when it comes to non-Swedish parents who otherwise may have difficulties relating to everyday childcare life (Interview 2004-01-09).

These experiences from Skärholmen are to a large degree shared by the preschool staff in the highly heterogeneous Akalla/Husby section of the Kista ward. Agneta Lundin, who manages a municipal preschool in Husby, recalls working in the area of Huvudsta in the neighboring municipality Solna. There she faced very active and forward parents who normally belonged to a traditional native Swedish middle class. These were demanding parents, getting very involved in the preschool, whereas she experiences the parents in the ethnically diverse Kista as rather demanding because they get too little involved. As a manager she has to actively engage the parents but she also relies on making good decisions based on her professional expertise (2006-05-29).

The level of parent participation clearly varies with ethnic origin and possibly also with class. The parents using the different organizational types of childcare differ considerably from each other, as seen in Table 7.3. The non-public alternatives to the municipal childcare are sometimes accused of providing an alternative for those well off and there is nothing in this study that contradicts this.

The parents at Inger Bergvall-Jacobssons parent cooperative in Östersund are all highly educated and well paid. They also all live together in traditional families. The interview with
Bergvall-Jacobsson shows that during her 10 years at the parent cooperative, only two families did not have a traditional Swedish background and there was only one single-parent family, one where the father passed away (Interview 2006-10-05). These characteristics of the families are similar between all the studied parent cooperatives in Östersund and all but two in Stockholm. Maria Hedberg at the parent cooperative Bikupan offers an explanation for the low level of single parent families at the cooperatives. She argues that the cooperative organization form provides social ties that help to keep the families together. In her mind it is clear that working in a cooperative is beneficial for the family and that the common commitments help to keep partnerships together. It is also, however, clear from the interview with her and other parent cooperative managers that single parent families have difficulties coping with the work obligations of a parent cooperative (Interview 2006-10-09).

There are at least two reasons for the ethnic homogeneity of the parent cooperatives. Findings in the study suggest that parents of foreign descent choose the municipal form of childcare in part because of lack of information about alternative forms. A parent with a foreign background mentioned, for example, that she was offered a position in a Montessori preschool but that she did not understand what it meant. She chose the “regular” municipal preschool instead, because it felt safer (Interview 2004-01-19). The uneven distribution of children with foreign background among different forms of provision has, in other words, to do in part with the passive choice of the newcomers themselves. Inger Bergvall-Jacobsson at the parent cooperative Knallhatten in Östersund agrees that lack of information among immigrants could be an explanation. When asked if she thinks there is an information threshold for newcomers to the country she replies: “Yes I do actually, they don’t know that there exist cooperative preschools or what it means [to be cooperative]” (Interview 2006-10-05).

Lack of information is the explanation given by most of the interviewed preschool managers, including the two parent cooperative managers from Stockholm who had a large proportion of immigrants and thereby first hand experience of immigrant’s problems understanding the parent cooperative form of childcare (Interview 2007-02-20B) (Interview 2007-02-13).

Relative lack of immigrant parents can be seen at almost all of the 13 parent cooperative preschools studied here. Most of the parent cooperatives have no immigrant parents and the
ones that do normally have only very few. The two exceptions from this rule are the parent cooperative preschools in the Kista Ward of Stockholm, where almost every second parent where of non-Swedish origin. This is still lower than at the ward’s municipal preschools, where about 90% of the parents where immigrants. Nevertheless to have around 50% immigrants at a parent cooperative is still remarkably high. Birgitta Blomqvist, the manager of one of these parent cooperatives, explains that the immigrant parents at her preschools are all well educated and not at all from the same social group as other immigrant parents that she had encountered in the Rinkeby Ward (Interview 2007-02-13). She explains that the immigrants at her preschool are very “swedenized”, that they are integrated into the labor market and that they come from ethnic backgrounds that have been represented a long time in Sweden (Interview 2007-02-13). Kerstin Florén, who manages the other parent cooperative in Kista, adds that the parents themselves want to be integrated and therefore seek preschools with a relatively high percentage of Swedish children. One of her colleges in the Bromma Ward, Inga-Lill Ullgren, makes the same assessment regarding the only immigrant family (of a total of 17 at her preschool) (Interview 2007-02-20B) (2007-02-22). The general conclusion about immigrants at parent cooperatives from this limited sample is that there are very few, if any, and that the immigrant parents found there are highly educated professionals who in many cases actively seek to be integrated into society.

It seems that the disproportional majority of Swedes with traditional background also depends on those parents themselves. They are better informed about the concept and they have the ability to make an active decision. The choice of childcare can in some examples also be directly related to the ethnic homogeneity itself. One parent in the study openly admits that she chose a parent cooperative because it had more Swedish children. She does not dislike people with foreign background as such but she was concerned about the fact that the public preschool was so focused on addressing the special needs of that particular group, in terms of language training and so on. “They had pictures everywhere on the walls so that the children could communicate by pointing” she says and argues that such an environment does not benefit her son. This example illustrates that the well intended focus on integration might actually spur segregation, when childcare becomes so focused on the task of integration that children without that particular need are overlooked.
7.3 Reasons for choosing different types of childcare

It is often argued that the non-public preschools, both those in the third sector and the ones in the for-profit sector have users that actively choose those types of childcare while the users of municipal childcare choose more by default. The Parent Study shows that this is not always correct. The users of municipal childcare state that the choice of their particular type of childcare is less important than the choice made by users of parent cooperative childcare. The results show, however, that the users of worker cooperatives and the users of for-profit childcare also find it less important that their childcare has a special character than the users of parent cooperatives do. As many as 81.1% of the users of parent cooperative childcare state that their choice of organizational type is at least “somewhat important, while 66.6% of the municipal users, 64.6% of the users of worker cooperatives and 58.4% of the users of for-profit childcare state the same (Vamstad 2007A). The principal difference is therefore not between the municipal type of childcare and the other types but between the parent cooperative type and the others.

The reasons stated for choosing their respective type of childcare also differs considerably between the different types of childcare. The Parent Study contained a question about why the parents choose their respective preschool and they were given a few alternatives to choose among. As many as 75% of the users of parent cooperative childcare claimed that they “wanted to participate more” as one explanation of why they choose this type of childcare. Only one respondent, or 1.2%, of the municipal users and none of the for-profit users chose the same alternatives (Vamstad 2007A). A majority of the users of worker cooperatives (73.8%) and for-profit childcare (85%) claim that proximity to home was the main reason for selecting their preschool while an even 50% of the users of municipal preschools state the same (Vamstad 2007A). Only 16.3% of the users of parent cooperative preschools claim proximity as a reason for choosing their preschool (Vamstad 2007A). A large section (34.5%) of the replies from the users of municipal childcare stated that they had been directed to their current preschool by the municipality while none in the parent cooperative type, none in the worker cooperative type and only one respondent in the for-profit type stated the same (Vamstad 2007A).
7.4 Diversity and recent political reforms

An analysis of the diversity in Swedish childcare includes several different levels of analysis. Two basic levels of analysis were mentioned in Chapter One, the societal level and the service level. One could probably consider some intermediate levels of analysis but due to considerations regarding the research design as a whole, only these two principal levels of analysis will be addressed. Political reforms initiated by the central and local government are here considered being on the societal level. How they affect the preschools and individuals at the service level is further discussed below.

Political regulation no longer prohibit public funding for non-public providers of childcare but it could be said that the political sphere doesn’t take their implications into account when deciding on reforms and new regulations in the area. The most significant example of this probably is the maxtaxa, which came into effect in January 2002. For the central government the general idea of this reform was to further subsidize childcare so that parents pay a fixed or maximum fee for the care provided by either public or non-public preschools. The maxtaxa effectively removes one competitive advantage previously held by the non-public providers, especially the cooperatives. Before the maxtaxa, the cooperative childcare could offer lower monthly fees in part by using unpaid labor provided by the children’s parents. The for-profit preschools could provide higher quality care by higher fees, but both these options were eliminated by the maxtaxa (Pestoff and Strandbrink 2004, p.38).

A senior employee, known as Steen, at the cooperative preschool “Björken” in Stockholm exemplifies the point about the maxtaxa and cooperative actors in the Swedish childcare. She complains that her preschools used to be a low-cost alternative, thanks to the work provided by the parents. It was, for this reason, possible to run a cooperative preschool in a ward otherwise dominated by municipal preschools, something which became much harder after the introduction of the maxtaxa. Steen has little understanding for the maxtaxa system and the way it affects her preschool: “What do we need it for? The ones who needed financial help to pay for childcare got it anyway”, she argues, referring to the already extensive welfare system which was in place before the maxtaxa (Interview 2006-01-09). Maria Hedberg at the parent cooperative preschool “Bikupan” in Östersund admits that there was some concern
among the cooperatives regarding the introduction of the maxtaxa. The parents discussed how they were going to compete with the municipal preschools under the new reform. Maria Hedberg says that she, on the other hand, was never worried. “I felt that what we offer is not cheap childcare” she says and continues “For those interested in having a good preschool is it not important if it costs another 200 SEK” (Interview 2006-10-09). Her colleagues Inger Bergvall-Jacobsson and Agneta Atleström shares Hedberg’s experience, they too remember a concerned discussion but none of them estimates that there was any real decline in interest for cooperative services among parents. The waiting lists of parents wanting to enroll their children at their respective preschools remained just as long after the introduction of the maxtaxa (Interviews 2006-10-09, 2006-10-05 and 2006-10-03).

The Staff Study asked two questions about the maxtaxa, a general and one more specific one. The opinions on the maxtaxa vary between the staff in the different types of childcare. The staff at the municipal preschools is most positive to the maxtaxa in general, as can be seen in Table 7.4.

<table>
<thead>
<tr>
<th></th>
<th>Negative**</th>
<th>Neither positive nor negative</th>
<th>Positive***</th>
<th>Total</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>20</td>
<td>11.1</td>
<td>69.0</td>
<td>100</td>
<td>(46)</td>
</tr>
<tr>
<td>Parent Cooperative</td>
<td>27.8</td>
<td>30.6</td>
<td>41.7</td>
<td>100</td>
<td>(44)</td>
</tr>
<tr>
<td>Worker cooperative</td>
<td>35.3</td>
<td>5.9</td>
<td>58.8</td>
<td>100</td>
<td>(18)</td>
</tr>
<tr>
<td>For-profit</td>
<td>37.5</td>
<td>12.5</td>
<td>50.0</td>
<td>100</td>
<td>(8)</td>
</tr>
<tr>
<td>Total</td>
<td>25.4</td>
<td>17</td>
<td>56.7</td>
<td>100</td>
<td>(116)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. * In percent of total ** Includes replies “somewhat negative”, “negative” and “very negative” *** Replies “somewhat positive”, “positive” and “very positive”

Focusing on the positive answers we see that the parent cooperative staff is the least positive to the maxtaxa, followed by the staff of the for-profit preschools and then the staff at the worker cooperatives who are almost as positive as the staff at the municipal preschools.

Although the opinions vary between the different types of childcare all staff seem to largely agree that the maxtaxa has had a limited impact on their daily work, as seen in Table 7.5. It is
interesting, however, that the staff in the municipal type of childcare has the most negative impression of the maxtaxa.

Table 7.5 Staff opinion about the impact of the maxtaxa on their daily work*

<table>
<thead>
<tr>
<th></th>
<th>Negative**</th>
<th>Neither negative</th>
<th>Positive***</th>
<th>Total</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>24.4</td>
<td>71.1</td>
<td>4.4</td>
<td>100</td>
<td>(46)</td>
</tr>
<tr>
<td>Parent Cooperative</td>
<td>18.9</td>
<td>75.1</td>
<td>5.4</td>
<td>100</td>
<td>(44)</td>
</tr>
<tr>
<td>Worker Cooperative</td>
<td>11.8</td>
<td>64.7</td>
<td>0</td>
<td>100</td>
<td>(18)</td>
</tr>
<tr>
<td>For-Profit</td>
<td>12.5</td>
<td>87.5</td>
<td>0</td>
<td>100</td>
<td>(8 )</td>
</tr>
<tr>
<td>Total</td>
<td>19.6</td>
<td>72.9</td>
<td>7.5</td>
<td>100</td>
<td>(116)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. * In percent of total ** Replies “somewhat negative” and “negative” *** Replies “somewhat positive” and “positive”

None of the studied parent cooperatives experienced any significant decrease in interest from parents to enroll their children after the maxtaxa. One parent cooperative manager claims that the economic conditions took a turn for the worse after the introduction of the maxtaxa but in fact the interview reveals that what actually caused the worsening of the economy was the simultaneous reduction in the municipal payments for four year olds (Interview 2007-02-13).

The material collected from the parents also indicates that the lost economic advantage might be of secondary importance for the parents with children in cooperative childcare. Parents at a cooperative preschool in Östersund claim to be willing to do the extra chores without the significant economic benefits since it provides the chance to get more actively involved in their child’s upbringing. In the words of one particular parent from Östersund: “I get to see my child more, when it is my turn to work in the cooperative we go there together and we do things together all week. We share something” (Pestoff and Strandbrink 2004, p.92-93).

The same kind of statements can also be found in the Stockholm part of the study. The survey study reinforces the sentiments gathered from the parent interviews regarding incentives for choosing a parent cooperative preschool. Almost all of the participating
parents with children in cooperative preschools state that they chose that particular organizational form because they wanted to participate more in the childcare. Among parents using municipal childcare the most common stated motives are closeness to home and having been directed to the preschool by the municipality (Vamstad 2007A). A large majority of the parents using cooperative services also state that they would be willing to pay more for their childcare if it would improve the quality of the care. Among parents using municipal services about half are willing to pay more for higher quality (Vamstad 2007A).

Table 7.6 Parents' willingness to pay more for their childcare*

<table>
<thead>
<tr>
<th></th>
<th>Willing to pay more**</th>
<th>n***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal preschool</td>
<td>48.9</td>
<td>(89)</td>
</tr>
<tr>
<td>Parent cooperative preschool</td>
<td>73.3</td>
<td>(107)</td>
</tr>
<tr>
<td>Worker cooperative preschool</td>
<td>65.2</td>
<td>(48)</td>
</tr>
<tr>
<td>For-profit preschool</td>
<td>54.2</td>
<td>(24)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A. * In percent ** Only positive replies *** Total n=271

The maxtaxa has, for obvious reasons, less significant implications for the for-profit preschools, which don’t use the parent’s unpaid labor. A manager of a for-profit preschool in Stockholm, Ulla Hedberg, suggest that the maxtaxa only had a minor effect on the size of her cash flow, yet it has affected her economic freedom in a real way. She is, for instance, prohibited from meeting increased costs by raising the monthly fee, since parents then could use their exit function and move to the subsidized municipal childcare (Pestoff and Strandbrink 2004, p.80).

7.5 Coping with diversity at the societal level

The position of the different organizational types is defined in part by ideologically motivated measures taken at the societal level. The empirical material collected here shows that political majorities matters and political majorities are, of course, embodiments of the ideological positions at the societal level described below, as opposed to ideological positions at the service level which are discussed in section 7.6.

The maxtaxa is a reform initiated by the Social Democrat government on the national level. Findings in the study suggest that the relation between the alternative preschools and the
public agencies and authorities depends on the political majority at the central as well as the local level. This is especially obvious in the Stockholm part of the study. Ulla Hedberg has related her experience of this. A former employee of the municipality of Stockholm, she reorganized her municipal preschool, into a for-profit establishment. She was strongly encouraged to do so by the city officials during the Liberal/Conservative majority in Stockholm between the years 1998 and 2002. The subsequent Social Democrat majority was much less benign towards her preschool, which is illustrated by the fact that the preschool’s monthly rent to the city was doubled. The new political majority argued that a for-profit enterprise should pay a much higher rent (Interview 2004-01-08).

The Liberal/Conservative majority’s drive to privatize municipal preschools is also attested to by an intermediate manager at the municipal level in Stockholm. Despina Gramenidis, experienced a very intense pressure from the city to privatize. “I almost had to hide from them some days” she said, referring to the city officials. Gramenidis argues that things got much better for the municipal childcare when the Social Democrats took over in 2002, pressure to privatize ceased and the management was much smoother (Interview 2004-01-09). It remains to be seen how the new Liberal/Conservative majority that took office in Stockholm in 2006 will handle the issue of privatization of public service facilities but there are no immediate indication that they would be less favorable towards a more diverse welfare mix than their Liberal/Conservative predecessors. These changes of policy towards the alternative providers of childcare support the hypothesis that the non-public preschools are an anomaly in Sweden. The Swedish system has apparently been formed with such providers in mind when their conditions can alter so radically with the different political majorities. A system that tried to integrate the non-public preschools would harbor them regardless of political majority. It is also clear from the examples that the Social Democrat party is less interested in non-public provision of childcare. This might be of some significance if one considers the fact that the Swedish welfare system is largely of a Social Democratic design.

There seems to be a considerable contrast between continuous changes in policy and the preschools’ almost static relation to the municipal administration. The continuity in the
relation with the municipal administration is in most cases a benefit, several of the interviewed preschool managers appreciate that they have a known person at the municipality whom they can call, which is a sentiment that is shared by managers both in Stockholm and in Östersund. However, in cases where the relationship with the municipal administration was troublesome or even hostile this continuity can be a problem. Mariette Hellgren, the manager of a parent cooperative in Stockholm, says that the effects of positive political development is delayed or even thwarted by the conservative municipal administration (Interview 2007-02-19B). Suspecting that the municipal administration is influenced by path dependency, she argues that:

It [non-public childcare] is a kind of an threat, or it is more complicated [for the administration], much more complicated, it is a new way for the civil servants to work and it [the non-public preschool] is not as simple to administrate as the public services
(Interview 2007-02-19B)

The municipal administration’s failure to fully include the non-public providers of childcare in their role as governing agency is confirmed by several preschool managers. One of them is Åsa Löw who chairs the board at a worker cooperative in Stockholm. Her preschool experienced a rough time after the manager swindled her workplace of 1.5 million SEK. The board of the cooperative decided not to replace the manager until they had gained more knowledge about the running of the preschool so that they would not be misled again. After more than ten years they have still not replaced her simply because the new, extended management is working to everyone’s satisfaction. Everybody’s satisfaction except that of the municipal administration, that is. Löw says that the municipal administration finds it “creepy” not to have a manager and this deviation from the traditional order of things seems to be a real concern for the bureaucracy (Interview 2007-02-20).

It is also noticeable that the previously-mentioned rigid ideological positions found in the academic and political debate on third sector in the welfare state corresponds to a similar cleavage among practical politics and, as shall be seen more clearly further on, in the minds of individuals at the provision level of the childcare sector. The two-sided ideological cleavage between welfare traditionalists and welfare reformers runs all the way through the
issue area, leaving little room for a third way, an alternative where traditional welfare values can be preserved and developed by new means.

Harriet Svalerud, a local politician in Östersund reflects on the fact that childcare in general lacks democratic institutions, which might be a result of the long period of significant homogeneity. The provision of childcare has simply not been considered a political area since the traditional values coexisted with a traditional structure. The growing diversity should bring a change in this, the values might still be relevant but the structure must change to encompass at least all forms of presently existing childcare. Harriet Svalerud says: “To develop democracy in childcare services is important – a lot remains to be done” (Pestoff and Strandbrink 2004, p.91). This political cleavage illustrates that the childcare area is indeed a political area and to discuss the matter of diversity and democracy in childcare services might be a first step in recognizing this fact.

7.6 Coping with diversity at the service level
The Swedish welfare system is not only defined by the formal structures and top-down relations between authorities and citizens. The Swedish welfare state is also a set of value and morals, as described above. As such it exists in the informal structures and horizontal relations between actors at the same level of the welfare state’s organization. This aspect of the welfare state is not without importance in the present study of the Swedish childcare sector. It is important to see what other professional employees in the childcare sector think of alternative providers in the same sector. Indications that they are considered different by the staff of the municipal preschools would support the general argument that alternative providers are an anomaly in an environment where they have not been planned for.

Despina Gramenidis, the midlevel manager in Skärholmen, takes a rather firm stance against alternative providers. She recognizes the alternative provision as being of sufficient quality but she fails to see a real need for them: “There is already so much flexibility in the municipal system that there is no need for private actors”, she argues (Interview 2004-01-09). Very similar sentiments are expressed by other municipal preschool managers, for instance Anki Janarv Sahlén who states:
We have very much freedom, as long as we follow the government guidelines and the municipal plan for Stockholm, then we can do practically anything, there are no limits, we can find what is best for us and our children and above all the parents (Interview 2006-06-01).

She further argues that the municipal childcare has superior resources; simply because they have to, since they cannot handpick their children the way that the cooperatives can, at least in practice. Municipal childcare must have resources to cover all eventualities and all the needs of all the attending children (Interview 2006-06-01).

Gramenidis also stresses the point that the municipal preschools are spearheading the development of new pedagogical strategies and that they have a superior staff-policy, compared to the private alternatives, therefore she feels that municipal services are objectively better than private childcare (Interview 2004-01-09). Another manager of a municipal preschool in Stockholm, Agneta Lundin, adds her support for the municipal childcare. “What is gained by running a preschool in any other form than municipal when it is the society, when it is our taxes that pay for all the services?”, she argues and continue:

I can’t understand a system that makes it possible to run a private preschool with public money [...] I have nothing against the people who work at private preschools, absolutely not, I am rather very critical to a system that makes us run private preschools with tax-money, I will never understand it and I will never want to understand it (Interview 2006-05-29).

The question of professionalism also seems to concern the managers of municipal preschools. Swedish preschools are much more than just childcare, they work according to very well designed pedagogical programs with an academically trained staff. This high level of professionalism is sometimes seen as compromised by user participation. Maria Börjas Wiktorsson, a municipal preschool manager in Östersund, states: “When people ask me why [I chose to work at a municipal preschool] I answer because I can’t imagine having the parents as my bosses”. (Interview 2006-10-17)
She argues that a manager needs to have the authority to make decisions for the benefit of the children, according to professional knowledge in the area, which is hard to do when the parents have the final say at the preschool (Interview 2006-10-17). Börjas Wiktorsson uses the example of not having to be second guessed by the parents when pointing out that a specific child has some sort of disability or disorder. It might be hard, she argues, for parents to accept that their child is not “normal” and they can use their position as head of the preschool in their campaign of denial (Interview 2006-10-17). A manager of a parent cooperative in the Kista Ward of Stockholm, Birgitta Blomqvist, was presented with this scenario when asked if she thinks there are any structural difficulties with the cooperative type of preschool in addressing this problem. In her view the problem is the same in all types of childcare but that parents at parent cooperatives are more knowledgeable about the child’s situation. She exemplifies: “We have a little girl that need a lot of support and her mum and dad are here [at the preschool] and they can see that what the staff tell them is true, so I think it is easier [at a parent cooperative]” (Interview 2007-02-13)

Having parents as their “bosses” can therefore also mean having very knowledgeable bosses but the question of having parents in a position of power in preschools is still elicits the most commonly expressed skepticism regarding parent cooperatives from educational institutions involved with other types of childcare.

It is not clear how common this skepticism is just because all of the interviewed municipal managers voiced it. They only represent a tiny fraction of all municipal preschool managers in Sweden but they are interesting, none the less. They represent a view of the traditional welfare services as being the most suitable forum for development, and change should occur inside the existing system, not through reforms of it.

An independent observation made by Ulla Hedberg, the manager of a for-profit preschool, suggests that these opinions aren’t limited to the small number of municipal preschool workers interviewed here. Hedberg claims to have encountered great suspicion when she privatized her municipal workplace. Many municipal preschools reacted harshly towards her new for-profit preschool. The reactions she encountered from her municipal colleagues...
were in the nature of “they are stealing our children”. She speculates about the possibility that the many years of municipal dominance have made the municipality somewhat self-righteous (Interview 2004-01-08).

Shifting from managers to the employees, the Staff Study enquired about staff attitudes toward their own and other forms of providing childcare services. The Staff Study gave the possibility for the participants to leave comments along with their replies to the question. Far from all participants used this opportunity but an overwhelming majority of the staff in municipal preschools who did comment was positive about alternative care forms. Some voiced concerns about cooperative childcare draining the public system of funds but these where few and easily outnumbered by comments saying that freedom of choice for the parents was important. Several comments also stated that the non-public alternatives helped the municipal preschools to focus on their own services and improve them (Vamstad 2007B). It seems, in other words, that the staff in general at municipal preschools is more positive towards “alternative” childcare than the management is. The opinions of the staff are presented in Table 7.7.

**Table 7.7 The municipal staff’s opinion of their own and other types of childcare**

<table>
<thead>
<tr>
<th>Municipal type</th>
<th>Parent cooperative type</th>
<th>Worker cooperative type</th>
<th>For-profit type</th>
<th>n</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal Staff</td>
<td>4.9</td>
<td>3.9</td>
<td>3.7</td>
<td>2.2</td>
</tr>
<tr>
<td>Parent cooperative Staff</td>
<td>4.3</td>
<td>4.6</td>
<td>3.8</td>
<td>3</td>
</tr>
<tr>
<td>Worker cooperative Staff</td>
<td>4.2</td>
<td>3.1</td>
<td>4.9</td>
<td>3.2</td>
</tr>
<tr>
<td>For-profit Staff</td>
<td>4.5</td>
<td>3.3</td>
<td>4.3</td>
<td>4.3</td>
</tr>
<tr>
<td>Average grade</td>
<td>4.5</td>
<td>3.7</td>
<td>4.2</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. * Grades on a scale from 1 to 5 where five is the most positive. Rows are the different staff categories and columns are the graded organizational types.

Table 7.7 show that staff at municipal preschools has a higher opinion of their own type of childcare than all other types while the staff at parent cooperatives are almost as positive
towards the municipal childcare as towards their own. The municipal staff are especially negative towards for-profit childcare while the parent cooperative staff has distributed their grades more evenly for the for-profit category. All organizational types have staffs who think that their own type is better than the others except the for-profit type of childcare. The staff of the for-profit facilities rates the municipal preschools higher than their own, even if the n for the for-profit type is too small to make any far reaching generalizations on the basis of this finding.

The alternative providers are not just considered strangers in the system by the municipal actors, it is only natural that they also consider themselves as outsiders. Hedberg illustrates this phenomenon as well when she tries to play down these preschools’ image as an alternative: “We are not really private” she argues, referring to the fact that her preschool is run according to the exact same rules and regulations as the municipal preschools, and even the funding is the same (Interview 2004-01-08). This argument suggests that she tries to gain greater acceptance by emphasizing the aspects of her establishments that it shares with the municipal preschools. The study shows that Hedberg has been quite successful in this. The mother of a child at Hedberg’s preschool, who was also interviewed in the study, did not know that the preschool was a for-profit facility, although she was aware that it was not a municipal one. Bodil Steen, whose cooperative preschool lies in the vicinity of Ulla Hedberg’s, thought it was run by the municipality, as did other people in the local area (Pestoff and Strandbrink 2004, p.84).

This section has provided further examples of how the non-public provision is marginalized in the Swedish welfare system. These childcare facilities are considered to be outsiders by some, or even intruders, rather than a welcome or integrated element in the system. Some reactions towards them are close to aggressive and the alternative providers themselves try to blend in by playing down their alternative role. It seems that the norm is still very much influenced by the old welfare state ideal, or the idea of how the Swedish welfare state should be structured entirely by the public sector.
7.7 Integration of the third sector in the welfare state

The material has so far illustrated the outside-status of the alternative providers of childcare regarding their relations to authorities and other public providers. To complete the picture of alternative childcare as an anomaly, one should look at the general conditions of the alternative providers. The City of Stockholm had a special board dealing with coordination of non-municipal preschools, but it is now closed down. The citywide coordinator dealt with non-municipal actors specifically and aimed to provide a wide range of options in terms of childcare solutions (Pestoff and Strandbrink 2004, p.23). This kind of public coordination of childcare recognizes alternative providers but also illustrates once again their status as outsiders. The specific focus on the alternative per se is a fairly typical Swedish phenomenon; the alternative providers are not seen as an integral part of the welfare mix, as in other countries where the “mixed” nature of the welfare system is more prominent. However, this makes it more difficult to interpret the fact that the board has ceased to exist.

There is no public coordination of alternative providers of childcare in Östersund. The Stockholm coordinator worked with the entire greater Stockholm area, which put the coordination of alternative childcare above the ward level (Pestoff and Strandbrink 2004, p.85). Östersund lacks administrative bodies for childcare on that level; the city lies in the sparsely populated central part of Sweden where there is no apparent need for such specialized institutions. The implications of this for the non-municipal preschools are twofold. There is no political body in place to administrate diversity in the provision of childcare, which, of course, also means a lack of formal recognition of the alternative preschools. On the other hand, it allows the non-municipal providers of childcare greater freedom to develop their own plans for the preschool in Östersund (Pestoff and Strandbrink 2004 p.91-92).

Bodil Steen, from the parent cooperative in Skärholmen, gives another perspective on the situation of the alternative providers. She has not experienced any uncooperative behavior from the city. Her preschool receives a visit from the city-coordinators once a year and she finds them supportive. Steen does, however, bring up another point about being the alternative in the Swedish childcare system. She feels that her preschool is a bit isolated, the
municipal preschools do things together, and in larger groups, but as an independent parent cooperative one is left to one’s own devises. This is, of course, yet another aspect of being the exception in an otherwise homogenous system (Interview 2006-01-09).

There seems to be a difference in the relation between municipal and non-public preschools in Stockholm and in Östersund, possibly because of the pragmatic, small town political climate of the latter. Bodil Steens description of her parent cooperative’s situation in Stockholm seems to differ from that of the parent cooperatives in Östersund. The parent cooperative preschools in Östersund are involved in networks with local municipal preschools to develop pedagogies according to the Reggio Emilia school of thought (Interview 2006-10-09). Their joint efforts to develop pedagogical techniques and methods have even spurred a shared INTERREG project with municipal and cooperative childcare on the other side of the border, in Trondheim and the Tröndelag region (Interview 2006-12-05).

Lena Wikner, a manager of several municipal pre-schools in Östersund, participated in this INTERREG project and could only see positive aspects of the collaboration. She and her staff’s main interest in the local parent cooperative are their especially well developed Reggio Emillia pedagogies, not their organizational characteristics. Wikner argues that there are no barriers between municipal and cooperative services when it comes to questions like how to address children and develop pedagogy and she thinks that especially the parent cooperative Bikupan is very generous with sharing their experiences (Interview 2006-12-05).

This example of cooperation between the public and third sector at the provision level illustrates both that the two organizational types can exchange expertise and that such initiatives exists and are not merely a theroretical construction at the societal level. The networking between municipal and parent cooperative pre-schools in this case seems to be mutually rewarding, judging from sentiments expressed by Wikner, but also Hedberg, at the parent cooperative Bikupan (Interviews 2006-12-05 and 2006-10-09).

The parent cooperatives also join together for activities that require a larger group, like attending theater performances (Interview 2006-10-05 and 2006-10-09). The only manager who said she lacked networks and missed working with other preschools in Östersund was a municipal preschool in a rural part of the municipality. The manager, Ewa Edvinsson,
claimed that her preschool had never participated in any activities with other preschools but that she hoped to do so with a nearby preschool which she also managed (Interview 2006-10-17). The lack of networks and a feeling of isolation do not, in other words, have to be the result of the preschool being an alternative provider.

7.8 The origin of diversity
Section 7.1 has shown the structural and political difficulties that the non-public providers of childcare have to overcome and it has described the outsider status they hold in the Swedish welfare state. It is therefore relevant to ask why, in spite of everything, there still are a significant number of non-public preschools, considering these findings. Some explanations on the aggregate level were given in Chapters Two and Five but the reasons for choosing the third sector among single preschools and individuals is further described in this section.

The empirical material from the research makes some references to the reasons for establishing non-public preschools. Previously Ulla Hedberg mentioned municipal bureaucracy and Steen spoke fondly of the intimacy and pedagogical freedom of the parent cooperative, for instance (Interviews 2004-01-08 and 2004-01-09). Marianne L Forsberg, a manager of a for-profit preschool in Stockholm has an especially interesting story to tell. She is of the general opinion that all childcare should be run by the municipal. It is such an important institution in society, she argues, and that it should be a responsibility of the public sector (Interview 2007-02-27). She herself worked many years in the municipal sector and was the manager of no less than four municipal preschools. The municipal childcare was organized in effective, large scale units with every preschool manager, like Forsberg, being in charge of several preschools at once. This kind of division of labor did not please Forsberg, she felt that she no longer had the relation to her work that she wanted, that she as the manager had become too far removed from the actual work with the children. “I didn’t know the names of the children” she explains and she also express concern that this form of large scale organizations’ could be damaging for childcare over all and not just to her own work ethics (Interview 2007-02-21).
“I could not stand it” she says, and explains her statement with examples of the large scale units of service production, the bureaucratic municipal organization, the distant political leadership and the inflexibility in the municipal childcare provision. For these reasons she decided to transform one of her municipal preschools into a non-public alternative, which was not only made possible but encouraged by the center-right political majority in Stockholm at that time (Interview 2007-02-21). Which type of non-public alternative to choose was at first an open question. Forsberg soon ruled out the parent cooperative type due to lack of interest from the parents. She also realized that the worker cooperative type would require all staff taking part in the establishment of the new preschool, which they did not want to. Instead she chose the for-profit organizational type which allowed the staff who wanted to have a stake in the preschool to do so, without demanding that they all became owners (Interview 2007-02-21). Forsberg discussed the possibility of joining a big corporation like Pysslingen, which organize childcare facilities in a large-scale corporate structure. This was never an option for her, “that would be like changing one municipality for another” she argues, meaning that all the problems with being part of a large scale organization would remain regardless if it was a municipal or a for-profit one (Interview 2007-02-21).

My Swahn, who manages a worker cooperative in Stockholm, describe some of the difficulties that she encountered in the municipal sector before switching to a cooperative preschool. She says that it is difficult to keep the staff motivated when they grow weary of municipal bureaucracy, “it is incredibly frustrating” she explains;

When the entire group of staff turns against the structural arrangements, it might not actually be against you [the manager] but against the fact that everything takes a lot of time, that no answers are given and there is no information (Interview 2007-02-19) (authors translation).

The City of Stockholm’s own report on differences between different types of childcare, from 1996, reveals additional information about the motives for non-public preschool establishments. The report interviews eight managers of for-profit childcare preschools in the Stockholm area. Interestingly enough, all eight were former managers at municipal preschools. When interviewed about the single strongest reason for privatizing, four of the managers mentioned greater pedagogical freedom while the remaining four named the
chance of picking the staff they wanted as the most significant reason. The inflexibility of the municipal organization was also mentioned among the most significant reasons for becoming non-public (Sundell and Ståhle 1996, p.36-40).

These findings contradict Kooimans theories, which are presented in chapter two. Kooiman argues that organizational type is not a deciding factor for independence at the service provision level. He claim that all types of service provision has a certain level of independence at the level where provider interacts with the users, simply because the provision would not work otherwise. It seems here as if previously municipal preschools changed organizational type because there was no independence and no flexibility at the service provision level. It is, of course, possible that these preschools did in fact not work before due to this lack of independence, which would make Kooiman right after all.

None of the studied parent cooperative preschools in Östersund were privatized municipal preschools. All of the managers had, however started out in their career as preschool teachers in municipal preschool facilities. Their reasons for switching to cooperative preschools varied somewhat. Maria Hedberg, manager of the preschool Bikupan, states that she was “headhunted” by a friend of hers who was starting up a parent cooperative. She says that she hesitated because of doubt that the small group of staff would not be a sufficient base for a pedagogical discussion and development. Later, she says, she realized that the parents could constitute a base for these functions (Interview 2006-10-09). The value of developing pedagogies together with parents rather than a larger cadre of staff is also emphasized by Agneta Atleström, who states:

I can feel that I am often surprised of how knowledgeable they [the parents] are and one gets so happy because there is so much knowledge among the parents that is lost if parents are a group that is generalized (Interview 2006-10-03)

She argues that there is much expertise to be collected from individual parent’s personal experience and to involve parents in the pedagogical work means releasing some of each ones valuable experience for the benefit of the collective group (Interview 2006-10-03). Agneta Atleström first started to work at a parent cooperative preschool together with Maria
Hedberg at the Bikupan preschool, before she became the manager of Guldkusten. She claims that the decision to leave a permanent position in the municipality, with its traditionally high degree of job security for what would normally be a more uncertain future in the third sector, was made easier by some of the cutbacks in the municipal sector. She says that there was less emphasis on saving money on the care of the children at the cooperative preschool but most important; she could influence her own situation there. The municipal preschools at this time, in the early 1990’s, offered a much more uncertain environment due to re-organizations in efforts to cut costs. New directives were handed down from the political leadership all the time and the cooperative preschool offered, somewhat paradoxically, a safer, more reliable work environment than the municipal preschools with their traditionally high level of job security (2006-10-03).

The matter of job security was also an important issue for Inger Bergvall-Jakobsson, another manager of a parent cooperative preschool in Östersund. She too was contacted by a parent about coming to work for the cooperative and she was immediately tempted by the chance to work closer with the parents but at the same time unsure whether or not it was wise to give up her job in the municipality. “What if it [the cooperative preschool] goes bankrupt in a year’s time, what happens then?” she thought. She decided to try it anyway and found the cooperative way of working so rewarding that she “stuck with it ever after” (Interview 2006-10-05).

A senior employee at a preschool in Stockholm expressed a desire to change organization type from her present parent cooperative, stating that she wanted to change into a worker cooperative. The reasons for this was that the parents had very extensive control even over minor things in the day-to-day operations and an interviewed parent opened her introduction to the preschool by making clear that the parents where in charge at that particular facility. The parents did not allow there being a manager at the preschool, which according to the interviewed employee made the pedagogical work challenging (Interview 2004-01-09). This parent cooperative seems to be an exception. All the parent cooperatives in Östersund, for instance, have a manager and a clear division of responsibilities between parents and staff where the staff are trusted with authority over all pedagogical aspects of
the preschool. The story about the senior employee in Stockholm was retold to some of the other interviewees, who were sympathetic. Maria Hedberg at Bikupan in Östersund recollects that even her well functioning preschool had a “down period” when the founding parents of the first stage of the preschools history were replaced by a new group of parents. A lot of the rules and practices that had made the preschool work well disappeared with the old parents since they were not written down. Hedberg therefore had to re-establish them and make sure they were written down for future generations of parents (Interview 2006-10-09). Agneta Atleström, another manager of a parent cooperative preschool, had the same response to the idea of changing parent cooperatives to worker cooperatives. “One has to build a strong and clear organization” she argues. She too remembers situations when matters has deteriorated at the preschool due to uncertain practices and like her colleague Inger Bergvall-Jacobsson at Knallhatten, she stress that a lot of work and consideration has to be spent on communication with the parents at a parent cooperative (Interviews 2006-10-03 and 2006-10-05). Hedberg explains that the staff has a great responsibibility to guarantee continuity in the services, as parents come and go over the years and the professionalism of the staff and the documented practices are the only things that maintains and continues to develop the preschools (Interview 2006-10-09).

7.9 Summary of Chapter Seven
This chapter analyzed the primary material according to the concept of diversity. “Diversity” refers to the mix of service providers that can be found in the childcare sector and their respective conditions and roles in the Swedish welfare state. The first conclusion drawn from the material was that the different types of childcare have different users. Compared to the users of municipal services, the non-public types of childcare generally have users that who are better paid, better educated and more often living in families with both parents. It is also concluded that the municipal services have a much larger share of people with a non-Swedish background.

The non-public types of childcare had users with similar backgrounds but there where greater differences when it came to the reasons for choosing a type of childcare. It was only among the users of parent cooperative childcare that a large majority considered
organizational type important; just over fifty percent of the remaining three types had similar opinions. The parent cooperative type of childcare also had the by far largest share of users stating that they opted for their current childcare in order to gain more influence. Almost none of the users of municipal childcare stated this.

The diversity of the Swedish childcare sector has meant that some of the political reforms during recent years have had a varying impact. The perhaps most significant such reform was the maxtaxa, which put a ceiling on the fee that parents pay for their childcare. The staff at the municipal preschools where the most positive towards the maxtaxa but the staff from all types of childcare provision agreed that they have experienced little changes in their day-to-day work due to the maxtaxa.

The maxtaxa reform is brought up as an example of the homogenization policies of the late 1990’s and early 21st century. It is interesting to note that childcare, with its relative diversity at the service level, was chosen for the most expansive public reform in decades once the economy had recovered from the financial crisis of the early 1990’s. The maxtaxa was no doubt an example of public intervention in the service market and it is not hard to see how it posed a challenge to the non-public service providers. There was a lot of concern initially among the parent cooperatives, but the findings suggest that the effects were not as damaging as might have been predicted. Some staff and managers at non-public preschools sense negative effects of the maxtaxa, but the dominating impression from the material is that the impact of the reform on the parent cooperatives was limited. The non-public preschools in Östersund were hardly affected at all and the same is more or less true for Stockholm. Judging from the Parent Study and the interviews with parents, it seems that the reason for choosing cooperative childcare had little to do with cost per se. Parents did not decide to work at their preschool to save money, they did it in order to be able to take part in, to gain influence in and learn about the childcare. The maxtaxa therefore had little impact in this regard. At some of the preschools, the maxtaxa seems to have had a positive effect on service quality by relieving staff from time monitoring duties and reducing stress among parents and thereby also children. A majority of parents in the Parent Study and other, larger, studies are positive towards the maxtaxa, as too is most of the staff.
The political approach to diversity seems to change considerably according to the political majority, where the municipal preschools are favored by social democratic politicians and non-public by center-right political majorities. The ideological polarization seems to be a lot greater in Stockholm compared to Östersund. The relation between different types of childcare is also more strained in Stockholm than in Östersund, especially if one considers the opinions expressed by preschool managers exclusively. It seems as if the staff of the preschools has a more open attitude towards other types of childcare than their managers do. There is much more cooperation between different types of childcare in Östersund, compared to Stockholm, possibly because of the fact that the only type of non-public childcare in Östersund is the parent cooperative, there are no for-profit preschools. Another interesting finding is that all staff at all types of childcare rate their own type the highest except for the staff at the for-profit preschools, who rate the municipal childcare higher. There are even some indications that staff and managers at for-profit preschools keep a low profile on their organizational type, they avoid any display of their for-profit type if possible.

The reasons behind organizing a preschool as a non-public type vary but a recurring theme among the explanations is the frustration with the large scale municipal childcare structure that leave little room for personal contact with children or parents. The municipalities are also considered unnecessarily bureaucratic and inflexible by managers and staff who have chosen a non-public type of organization.

The general conclusion of this chapter is that the third sector providers of childcare are “outsiders” in the Swedish welfare system. This point is one of the conclusions of this research as a whole: namely that there are no policy or institutions in Sweden to facilitate the non-public providers of welfare services. Given the drive towards greater diversity among service providers, it is argued here that they should be. This is not to suggest, however, that municipal services should be replaced by cooperative ones as a result of an active political strategy. The point made here is that the non-public sector is a growing provider of welfare services and that they should be included in the vision for a universal welfare state based on high quality welfare services rather than considered an alternative or even a threat to such a
model. Another point is that the third sector providers have extensive experiences of user and staff participation that could benefit the childcare sector as a whole in facing the democratic challenges to the welfare state described here. This does not mean that all services should be cooperative, it merely suggest that the municipal and for-profit services could develop the participatory principles that appears to be typically cooperative. It is evident from the present findings that such a development is much needed given the growing democratic deficit. This study also contains an example of how municipal and cooperative services can exchange experiences at the service provider level in Östersund, where they shared expertise on how to address children pedagogically. However, there is nothing to suggest that they could not learn from each other about how to address parents’ participation.

The third sector’s outsider status in the Swedish welfare state takes several different shapes and can be seen on several different levels of the welfare organization. The most obvious form of outsider status is the one in the formal structures. The non-public services are clearly exceptions in a universal welfare model that has its origin in the social reforms of the 1930’s, which were based on the public sector being the dominant or possibly the only actor. The findings show that this model still has difficulties including non-public actors, even though they now stand for a substantial portion of the childcare provision in Sweden. The third sector is given funding, but is otherwise not seen by local government as a natural actor in the childcare sector. The local organization of childcare in the municipalities are a politically run, administrative system were civil servants plan and control the provision of childcare based on the municipalities own “production units” rather than all producers of childcare service within the municipality. The parent cooperatives are therefore often quite isolated both politically and socially, as seen in the empirical material, when it comes to getting substitutes, attending training courses enrolling children with special needs, attending monthly meetings of managers and so on. The societal level seems equally non-inclusive of the cooperatives, as suggested by the maxtaxis, the presented proposition and the 1994 change in legislation regarding funding for non-public service providers. The formal outsider status on the local level is matched by an informal one, not the least evident in how the issue of different organizations is perceived by persons working in the sector. Managers of municipal
facilities, for instance, constantly fail to see any special value in non-public providers of childcare, even if the staff at the municipal preschools generally seems to agree that there should be several alternatives for the parents. Another interesting finding is that some non-public childcare providers themselves try to downplay their organizational type, knowing it includes an outsider status in the local community.
8 The politics of participation

The question of participation in the provision of childcare has undergone some development since the completion of the prestudy. The Swedish government announced in the fall of 2004 in a bill that user participation was to be given priority in Swedish childcare. One of the immediate consequences was the introduction of “Council for Influence” at all Swedish preschools. The universal principle behind these councils is expressed explicitly in a passage saying that “it should not be left up to the individual preschools to decide on whether to work with questions of influence or not” (Regeringens proposition 2004/05:11, p.67). The council for influence should have two functions: Firstly, it should be a forum for parents to express their opinions and influence the day-to-day business at the preschool. Secondly, it should be a source of regular information about the preschool, which of course is essential for the successful carrying through of the first function (Regeringens proposition 2004/05:11, p.67-68). The Councils of Influence were to become a mandatory part of the former governments new “package” of legislation in the school area but the change of government has made the future of this reform uncertain. Councils of Influence have, however, been introduced very broadly by initiative of the municipalities. These Councils of Influence have not yet been evaluated and the outcome of the policy initiative remains unclear. A brief search of the internet suggests that the Councils of Influence have been introduced with different forms and functions both between and even within different municipalities. Maria Börjas-Wiktorsson, manager at a municipal preschool in Östersund, mentions the municipality of Östersund’s work with Councils of Influence. She says that the project has taken different forms at different preschools and that the attempts have fallen apart in some instances. One objection she had to the Councils of Influence was that the manager was also the chairperson. She argues that if it is to be a Council of Influence for the parents, then the parents themselves should create the forms for and the structure of the Council. This is how the Council works at her preschool. Decisions taken in the Council are passed on by the

44 Parts of this chapter are previously used by the author in the TSFEPS synthesis report. References to other parts of that study are made according to the normal procedure for references
parent chairperson to her for consideration. She still has the final say and the decisions taken by the parents are merely recommendations, not binding decisions (Interview 2006-10-16).

The Bill 2004/05:11 introduced in Chapter Five shows that the political elite has recognized the need not only for transparency but also increased influence over the country’s preschools, at least in theory. The Councils of Influence remain to be evaluated but they seem to work as forums for information and formulation of suggestions, rather than real sources of influence, in the cases where they actually exist. The empirical material collected here shows that participation normally is limited to information meetings at best in the municipal as well as the for-profit childcare, while the parent cooperatives provide a very systematic influence for the parents as they have both decision-making rights and responsibility for the budget. This shows that it is important not only to differentiate between different types of provision but also different types of participation.

The question of participation can be addressed on two levels, the service level with staff and users as participants and the societal level where the participant is the preschool itself. Both the participation of the user in the childcare service and the service’s role as participant in the societal context are, in other words, considered. These two types of participation are in part two different phenomena, the user and staff member’s participation in the provision of childcare and the preschool’s participation in the local political life might not be driven by the same concerns and ambitions. Both types of participation are, however, alternative sources of democratic participation, at the sub-municipal level. The two types, or levels, of participation might, in other words, provide plausible answers to the democratic and possibly also the economic challenges to the Swedish welfare state. They are therefore both considered, separately. The individual user and childcare staff level constitute a natural focus for studies on participatory democracy, while the level of the preschools’ role in society as a whole is better suited for a governance perspective.

Participation could be given a wide spectrum of meanings, as is illustrated both by the Swedish section of the study and the other studied countries. There could be said to be three main types of participation. These are
1. Social participation
2. Economic participation
3. Political participation

These three types of participation will therefore be discussed separately, even though differences between them may not always be sharp or categorical.

8.1 Social participation

Social participation refers to the interaction between childcare and its social context. This form of participation is, like the other two, studied at the two levels mentioned above. Social participation at the micro level is recognized in the empirical material as active involvement in the provision of childcare that cannot be considered actual influence. Existing studies of participation in childcare often mentions activities such as parties and other social events as participation (Pestoff 2006 p.176-179). This operationalization of participation is of minor interest for the question in focus in this research. Still, the social participation is included in the material collected at the preschools and it seems scientifically unjust not to mention to. The social participation is important for the creation of social capital in society as a whole and the empirical material has several interesting examples of this. It is, for instance, notable that the parent cooperatives in both Östersund and Stockholm attract many parents without any extended family in the local area. For them the cooperative act as an important social network both at the preschool and away from it (Interviews 2006-10-09, 2006-10-05, 2007-02-19B and 2007-02-20B). The creation of social capital is, however, not a direct interest for this research. The Parent Study combined questions about social and economical activities at the preschool. This information is presented separately for each of the four providers of childcare introduced earlier.
One of several interesting results found in Table 8.1 is that almost every second parent using municipal services has contributed to cleaning or repairs at their preschool, which is an example of co-production in the public sector and economic participation, which is further discussed in the following section. Providing unpaid labor is economic participation and its existence at municipal preschools illustrates how participation can occur even when there are no formal obligations for parents. It could also imply that the gradual decrease in public funding per child was compensated by a marginal, increased economic participation by the parents. An alternative interpretation is, however, provided by the managers of municipal preschools, who in most cases claimed that the cleaning and repairs performed by parents are social events and of no economic importance.

Perhaps even more surprising is that as many as 70.8 percent of the parents using for-profit childcare have contributed to cleaning and repairs at their preschool. The traditional view of the free market for services is that you buy services as you buy goods, through monetary transactions. It is clear from Table 8.1 that for-profit solutions for childcare do not exclude actual participation. Childcare seem to invite economic participation in ways other than the strictly monetary and the question raised by this finding is how broadly it can be applied to childcare services and other welfare service areas like care of the elderly and non-medical health care. One limitation of these high figures is that the selection of users of for-profit childcare is relatively small.
More strictly social participation at festivities such as Christmas or Spring Parties is more common in the two cooperative types of childcare with the parent cooperatives having a slightly higher figure. Social participation is of course dependent, at least in part, on whether or not the users feel socially connected to the preschool. It is reasonable to assume that users of parent cooperative childcare have this connection since they themselves in most cases participate in the actual provision of the services. This explanation can not be applied to the worker cooperatives, however. What is typical for both municipal and for-profit childcare is the size of their organizations; they are in many cases larger than the cooperative facilities. Small scale, single unit childcare, is more accessible which leads to a greater familiarity. This is a possible explanation for why the worker cooperatives and the parent cooperatives have a higher degree of social participation. Perhaps is the fact that 68.2% of the users of worker cooperatives have access to information meeting may also be due to the greater familiarity of smaller facilities.

It should be noted that the Parent Study did not ask how often these activities were performed. There are reasons to believe that there are considerable differences in the regularity as well as nature of the activities between the organizational types. The cleaning and repairs performed at the parent cooperative preschools are, for instance, typically a regularly occurring and often mandatory obligation for the parents while the same activities at the municipal preschools more often are a cross between sporadic light work and a social event that is voluntary and irregular in occurrence.

The Parent Study did, in fact, inquire how the parents experience the regularity of social activities in general. The results from this question are presented in Table 8.2.

<table>
<thead>
<tr>
<th></th>
<th>Never or seldom</th>
<th>Sometimes</th>
<th>Often or rather often</th>
<th>n*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>42.3</td>
<td>41.2</td>
<td>16.4</td>
<td>(85)</td>
</tr>
<tr>
<td>Parent cooperative</td>
<td>6.6</td>
<td>30.2</td>
<td>63.2</td>
<td>(106)</td>
</tr>
<tr>
<td>Worker cooperative</td>
<td>12.5</td>
<td>60.4</td>
<td>27.1</td>
<td>(48)</td>
</tr>
<tr>
<td>For-profit</td>
<td>20.8</td>
<td>25</td>
<td>54.2</td>
<td>(24)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A. * Total n=271
These results are well in line with what is assumed about the regularity of social participation in the different organizational types in the study. More than three fifths of parents in parent cooperatives and more than half of parents in for-profit childcare participate often or quite often. By contrast, less than one in five parents in municipal services and one fourth of parents in worker cooperative childcare do so. Clearly participation in parent cooperative childcare stands in sharp contrast to that found in municipal services. A somewhat surprising finding is that relatively frequent replies from the for-profit type who state that social activities take place often. This might, however, be a finding that, once again, is due to the small size of the selection from the for-profit type of childcare.

One main benefit of social participation is that the users gain greater insight into the running of the preschool\(^{45}\). Greater insight means that the users become more knowledgeable about various aspects of their childcare, which is an important prerequisite for influencing the service. It is also important for creating a feeling of involvement that in turn increases the possibility of the parents trying to use whatever means they have to influence the running of the preschool. The level of insight experienced by the users is therefore an important measure of social participation that may be turned into political influence, which is why this question was included in the Parent Study. The results from it can be seen in Table 8.3.

<table>
<thead>
<tr>
<th></th>
<th>Little insight**</th>
<th>Some insight</th>
<th>Rather much insight</th>
<th>Much insight</th>
<th>Very much insight</th>
<th>n***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>8.0</td>
<td>27.6</td>
<td>39.1</td>
<td>20.7</td>
<td>4.6</td>
<td>(87)</td>
</tr>
<tr>
<td>Parent cooperative</td>
<td>-</td>
<td>0.9</td>
<td>25.2</td>
<td>41.1</td>
<td>32.7</td>
<td>(107)</td>
</tr>
<tr>
<td>Worker cooperative</td>
<td>4.2</td>
<td>19.1</td>
<td>34.0</td>
<td>29.8</td>
<td>12.8</td>
<td>(47)</td>
</tr>
<tr>
<td>For-profit</td>
<td>4.9</td>
<td>12.5</td>
<td>62.5</td>
<td>8.3</td>
<td>-</td>
<td>(24)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A. * Percentage of respondents ** Include replies “rather little insight”, “little insight” and “very little insight” *** Total n=271

\(^{45}\) Possible gains in social capital from social participation could also be a great benefit but social capital is not studied here
These results relate well to those presented in Table 8.2, the types of childcare whose users experience a lot of social activities are the same types that have users saying they have a lot of insight. The parent cooperative type of childcare stands out as the type that provides the by far the greatest insight to their users while the municipal preschool offers the least. An underlying explanation could be size of the organizations since the municipal preschools are part of large organizations where it might be difficult to gain insights in. The cooperative and in some cases for-profit preschools are, on the other hand, rather small, independent preschools, where the parent cooperatives typically are the smallest.

The experienced level of insight might be correlated with how much insight the users of the different types of childcare actually want. It could be that parents who claim to have little insight feel satisfied with that. Therefore the Parent Study also included the question whether or not the users wanted more insight. The results show that only 12.4% of the parents using parent cooperative childcare want more insight while as many as 54.2% of the users of for-profit childcare state the same (Vamstad 2007A). Almost as many, 47%, of the users of municipal childcare claim that they want more insight and 38.3% of the users of worker cooperative childcare state the same (Vamstad 2007A). It is, in other words, clear that the users of especially for-profit and municipal childcare not only have limited insight into the childcare they are using, they also want more insight.

Social participation at the macro level is a different phenomenon all together. This form of participation refers to the preschools involvement in the surrounding society in ways that do not include practicing formal political influence. The empirical material shows examples of preschools interacting with the rest of the local community. Such interaction might not be a source of formal political influence but it says something about to what extent the preschools behave as sovereign actors, which in turn puts their political participation in perspective. How independently the preschool act also reflect how open it is to democratic input from their users, preschools with a high level of regulation from some sort of overarching organization, like a municipality or a large corporate firm, have for instance little opportunity to follow up on suggestions from their users.
It is clear from the interviews that the degree to which the preschools interact with their surrounding society as independent entities varies both between locations, within locations and possibly between individual preschools. The social participation in this regard would be activities such as trips, entertainment, education and research organized by the preschools themselves. An excellent example of this in Östersund is the aforementioned INTERREG project where Bikupan and a few other preschools, both municipal and cooperative, joined forces in a cooperation with colleagues in Norway. The aim of the project is to exchange experience and find a forum for discussing pedagogic matters. It includes some municipal preschools that joined the project by their own initiative rather than through a centralized political decision within the municipality of Östersund (Interview 2006-12-05).

8.2 Economic participation

Economical participation is not encouraged by the universal Swedish system for funding childcare. The funding on the aggregate level is controlled by local government, as the preschools are paid a certain sum per child by the municipalities. The economic participation on the micro level is also to a large degree controlled by the maxtaxa, which puts a ceiling on the fee paid by the children’s caretakers (usually their parents). Economic participation is, in other words, limited on both levels. This does not mean, however, that this kind of participation is irrelevant. The question of greater reliance on fees when facing the economic challenges facing the welfare state is a very relevant one. The Ministry of Finance considers an increase in user fees as one of just four possible responses to the economic challenges for the Swedish welfare state. Economic participation on the micro level is therefore perhaps not a significant factor today but clearly a factor that cannot be excluded in the future. Economic participation in general is also an intensively debated area. Economic participation on this level is defines the individual preschools as independent entities, as does social participation on this level. The economic participation of the childcare providers as independent actors is heavily debated because it is closely related to the question whether childcare facilities should be allowed to make profits. This debate long plagued the emergence of non-public childcare and it is still very much a factor in future handling of the democratic and economic challenges for the welfare state.
Economic participation on the micro level, that is by the parents and staff within the preschool, was studied in the two survey studies. Parents were asked if they had contributed to the preschool with any work or any materials, such as toys, to the preschool in addition to the monthly fee. Almost every second parent at the municipal preschools, 43.8% had performed such work as seasonal cleaning, yard work and the like. The corresponding figure among parent cooperatives was 94.6%, which of course has to do with that such work in many cases being included in the cooperatives work obligations. It is perhaps more surprising that as much as 36.5% of the parents at parent cooperatives has participated economically through contributions of toys and other materials. Only 6.2% of the parents involved with municipal preschools had done so, as seen from Table 8.1.

The staff was also asked whether or not they sometimes performed small services for the preschool in their own spare time, which would be an example of economic participation. The expected result was that the staff at the parent cooperatives would perform more such unpaid services than the municipal staff, which is maintained by the municipal managers as an example of their higher level of professionalism. The result show, however, that the difference was very small between the municipal and parent cooperative preschools, as seen in Table 8.4.

| Table 8.4 Staff regularity regarding spare time services for preschools * |
|-----------------|-----------------|-----------------|-----|-----|
|                | Rarely** | Sometimes | Frequently*** | Total | n**** |
| Municipal       | 34.8      | 52.2       | 13            | 100   | (89)  |
| Parent Cooperative | 37.2      | 46.5       | 16.2          | 100   | (107) |
| Worker Cooperative | 11.1      | 27.8       | 61.1          | 100   | (48)  |
| For-profit      | 57.2      | -          | 42.9          | 100   | (24)  |

Source: Vamstad 2007B. * Percentage of respondents ** Includes replies “rather rarely”, “rarely” and “very rarely” *** Replies “rather frequently”, “frequently” and “very frequently” **** Total n=271

It is interesting that as many as 61.1% of the staff at the worker cooperatives perform these unpaid services frequently. Staff members are, of course, highly involved in running the preschool in this type of childcare but the worker cooperatives are also usually quite strict with matters of professionalism. The 11.1% of the staff at the worker cooperatives that rarely perform these services might be the recently hired staff members that have not yet been offered partnership. A clear division exists in the staff of the for-profit category, which is
divided between “rarely” and “frequently”, which could illustrate the difference in behavior between co-owners and regular staff.

The results in Table 8.4 differ somewhat from the stated ambitions at the management level. Both the municipal managers in Stockholm and Östersund said that they try to separate working time from spare time, for reasons of professionalism. Anki Janarv Sahlén, manager of a municipal preschool in the Kista ward of Stockholm says: “I think it is immensely important that one limits ones work […] to me it is very important that you have your work time and then your spare time” (Interview 2006-06-01).

Her colleague in a neighboring preschool, Agneta Lundin, goes even further when asked whether or not such additional services are performed by the staff:

No, we are very strict with that what we do is within the frames of our work, these are tough jobs, it is tough in the preschool, many are in my age, fifty plus, we have been doing this for a long time and we are probably getting worn out (Interview 2006-05-28).

The only municipal manager that has a more liberal view on the phenomena all this works at a rural preschool outside Östersund where they try to maintain a strict line between work and free time but where practical circumstances sometimes call to do some shopping for the preschool when they are in town, etc (Interview 2006-10-17).

The parent cooperative managers seem to have a more accepting attitude towards services carried out by the staff outside of regularizing work hours. Maria Hedberg at Bikupan says she recently asked one of the staff members to bring a table for the preschool from IKEA during a private trip to the warehouse in Sundsvall (approximately 200 kilometers from Östersund). The staff member not only brough the table but also a number of other things she thought were needed at the preschool (2006-10-09). Inger Bergvall-Jacobsson, manager of a parent cooperative preschool in Östersund, agrees with Hedberg that there is no reason to rule out that the staff may perform small services like making purchases for the preschool in their spare time. “It is not that I sit at home and do pedagogical planning” she says but affirms that she and her staff buy things for the preschool when needed. She jokingly quotes her
husband who during a visit to IKEA quipped “is all this for Knallhatten, we where supposed to shop for ourselves?” (Interview 2006-10-05).

Findings from the Staff Study do suggest with a fair amount of certainty that some of the public sector opinions about work at parent cooperatives are at best unsupported. A manager of a municipal preschool said that she never wanted to work at a parent cooperative because she did not want to be subjected to having to do personal services for the parents, exemplifying her statement with an assumed task, that of “having to walk the dog” for the parents (Interview 2006-05-29). This municipal preschool manager favored what she considered a more professional work situation at municipal preschools, without “extra-curricular services”. The Survey Studies shows, however, that the staff at parent cooperatives are equally “professional” in this respect.

8.3 Political participation
Political participation refers both to what is commonly known as user and worker influence on the micro level but also the political participation of single units of childcare provision in the local political context on a macro level. The individual user’s political participation wields direct, formal influence over the provision of the childcare (or other welfare services). The preschool’s political participation is primarily undertaken in a system of local governance, involving other stakeholders such as local politicians and civil servants.

Political participation varies considerably between different forms of provision. The municipal childcare is a part of the municipal political system, which is based on a representative, democratic party system where general elections are held every 4th year. The political participation in municipal childcare is channeled through these general elections, you can vote for the party or candidate that you think favor your own view on childcare. The political participation in the municipal preschools is thereby organized in a top-down, hierarchical manner. Parents with children in municipal preschools are not involved in the day-to-day running of the facilities. The municipality of Östersund arranges a family committee meeting twice a year but these meetings are rather information meetings rather than forums for political discussion or participation. The user comments relating to
municipal childcare in Östersund also indicate that the preschools are not very interested in any form of informal participation from the parents. One parent in Östersund says that she tries to make suggestions to municipal childcare personnel but “the staff always knows best”.

The parent cooperatives include another political dimension, since they are to a great extent governed by the users, that is, in a bottom-up manner. Political participation is, therefore, significantly greater in parent cooperatives and the interview study of the parent cooperatives in Östersund shows that parents there are more content with their relation to the staff. The Parent Study shows a similar result, even if the most striking conclusion is that parents in general are very happy with the staff at their preschools. 94.6% of the parents at parent cooperatives are pleased or very pleased with their staff while 83.8% of the municipal parents, 93.4% of the worker cooperative and 70.9% of the parents at for-profit preschools said the same (Vamstad 2007A).

Participation is most prominent in the cooperative form of provision, parents in parent cooperatives are, in other words, the most active participants in their children’s care. The participation in the parent cooperative preschools can take many forms. One preschool in the Stockholm ward Maria-Gamla stan does not allow parents to participate in the day-to-day pedagogical work, other than during the regular staff’s absence, while another preschool in the Skärholmen ward include parents unpaid work in the regular work schedule. A feature common to all studied parent cooperative preschools is the parent’s participation in the management. This participation could be organized through assembly meeting with all parents taking part in decisions that require unanimous approval, or through boards where only some parents participate according to a system with a circulating mandate.

In many German states, like Hessen, are there local councils where politicians, civil servants and childcare providers organize the childcare in the local area together in a system of horizontal governance. There is no such system in place in Sweden, which could be seen as an example of childcare providers in Sweden having less influence compared with their colleagues in the neighboring country to the south. This is not necessarily the case, however.
It is true that the Swedish childcare providers are near the bottom position of a top-down relation with the political bodies at the local level, rather than on an equal standing with the politicians in a horizontal relationship. What the present study has revealed, however, is that the Swedish childcare providers have a large degree of independence or at least the political and legal prerequisites for independence. Swedish preschools are obliged to follow the governmental guidelines in the LPFÖ 98 and the UN rights for all children, but these are very rudimentary and naturally it is in all preschools’ interest to follow them. There is, in other words, not much detailed political control of the preschools in Sweden so they wield a lot of influence on their own situation in society as a whole in a quite lassiez-faire manner. The parent cooperative preschools can draw the full benefit of this arrangement and develop their services in the way they wish but municipal preschools are in some instances more subject to the regulations of the local political administration. There also seems to be some variations in the municipal regulations between Stockholm and Östersund, which shows that conditions vary somewhat between municipals in Sweden.

During their interviews municipal preschool managers in Östersund were asked how parents would go about if they wanted to change the menu at their preschool, as an illustration of how user influence was channeled. It turned out that there was no such option at all since the menu was set by a mealplan common for the entire municipal of Östersund. At the municipal preschools in the Kista ward of Stockholm, however, they created their own menus and could much more easily adjust to the wishes of the childcare users – if such wishes existed. All the parent-cooperatives in both Stockholm and Östersund of course decide their own menus. The writing of menus is only a minor issue in the childcare services but it works as a small example of how municipal rules and practices can limit the preschools otherwise significant control over their own affairs.

Levels of participation in childcare provision vary, as does the level of diversity, between the two locations in the Swedish case. However, as will be seen below, these variations are minor compared to the differences between types of provision. The study shows quite convincingly that the levels of user participation in the parent cooperatives are much greater than in the municipal preschools or in the for-profit ones.
Table 8.5 Sources of influence seen as percent of parents in survey*

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<tr>
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<th>Municipal</th>
<th>Parent cooperative</th>
<th>Worker cooperative</th>
<th>For-profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meetings with power to decide</td>
<td>30.2</td>
<td>79.7</td>
<td>8.9</td>
<td>4.2</td>
</tr>
<tr>
<td>Written suggestions</td>
<td>9.3</td>
<td>67.6</td>
<td>15.6</td>
<td>62.5</td>
</tr>
<tr>
<td>Work at preschool</td>
<td>4.7</td>
<td>78.4</td>
<td>2.2</td>
<td>12.5</td>
</tr>
<tr>
<td>Meetings without power to decide</td>
<td>25.6</td>
<td>17.6</td>
<td>37.8</td>
<td>45.8</td>
</tr>
<tr>
<td>Informal talks</td>
<td>75.6</td>
<td>58.1</td>
<td>13.3</td>
<td>75</td>
</tr>
<tr>
<td>No influence</td>
<td>5.8</td>
<td>2.7</td>
<td>6.7</td>
<td>12.5</td>
</tr>
<tr>
<td>n**</td>
<td>89</td>
<td>107</td>
<td>48</td>
<td>24</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007A. *Percentage of positive replies only. **Total n=271

The main source of influence for the parents using municipal childcare is informal talks between parents and staff. This type of influence was exemplified in the questionnaire with spontaneous chats when children where either dropped off or picked up. This is type of influence is actually just an exchange of information; there is a clear time restraint and normally few means of transforming the outcome of the exchange into a formal decision. It is also unlikely that the staff available for a talk on these occasions happen to be the manager or anyone else with any authority at the municipal preschool. The managers in the municipality usually have responsibility for several preschools and they seldom find time to meet with individual parents. Informal talks at cooperatives and small scale for profit preschools can in this respect be more rewarding. The worker cooperatives have shared authority between the employees and the parent cooperative preschools are usually so small that the informal talk reaches far into the organization. The same is true for the independent and small for-profit preschools.

Almost a third of the parents at municipal facilities report that they have participated in meetings which have been given decision-making powers at the preschool. This could in part reflect the fact that parents feel that they have an influence at information meetings, which is, of course also encouraging. It can also relate to the fact that that some municipalities have actually started to experiment with the Councils of Influence, as for instance one of the large municipal preschools in Östersund. These have, however, no real power to decide anything
but the parents can still experience a feeling of influence and the management can use their decisions as guidelines and suggestions. Almost five percent of the parents at municipal preschools claim that they have gained influence through work at their preschool, which implies that the work efforts on special cleaning and repair days are by some considered to be so extensive that it gives them a position of influence at the facility. This is a noteworthy element of co-production in the public sector, something that is commonly considered impossible and non-existent in the Swedish Welfare State. It is also noteworthy that as many 12.5% of the parents in for-profit preschools answer the same way. This type of co-production at for-profit preschools contradicts the market principle claiming that services can be bought and sold like goods to those who can pay their way.

Parent cooperatives naturally have parents working at the preschool. The reason why the figure is 78.4% and not 100% is most likely that some parent cooperatives do not employ parents in regular activities but instead for cleaning and making repairs. Some parents simply don’t consider this working, while some parents at municipal preschools might, even if such periodical work is much rarer in the municipalities’ preschools. The interviewed managers at the worker cooperatives expressed great determination to keep the parents from doing work for the preschool for reasons having to do with professionalism and pride therein. This is, of course, reflected in the very low figure in this category in Table 8.5.

The most salient form of influence must be attending meeting with power to decide and the parent cooperative preschools are outstanding in this category. Their 79.7% might, however, have been even higher if the parents had interpreted the questionnaire the same way as the parents at the municipal preschools did. All parents at the parent cooperatives attend at least the membership meetings, which are meetings with power to decide. Not all parents have a seat on the board, which might be how some parents interpreted “meetings with power to decide”.

The parent cooperative preschools are, in fact, superior in the three most salient types of influence, the meetings with power to decide, written suggestions and work at the preschools. The relatively low figure for meetings without power to decide is just a reflection
of the high figure for meetings with power to decide. The number of parents that experience that they have no influence at all is almost negligible in the parent cooperative type while it is almost surprisingly large in especially the for-profit type.

The presentation in Table 8.5 raises the question of how the parents themselves view their own level of influence. It is here implied that the different forms of influence have different levels of impact which should mean that the types of childcare relying on less powerful sources of parent influence have users that regard their influence as being limited. The parent survey study largely confirms this hypothesis, as is seen in Table 8.6

| Table 8.6 How users of different types of childcare describes their influence* |
|---------------------------------|------|----------------|--------|------|
|                                 | Little** | Neither little nor much | Much*** | n**** |
| Municipal                      | 25.9    | 29.2            | 44.9   | (89) |
| Parent cooperative             | -       | 11.2            | 88.7   | (107) |
| Worker cooperative             | 8.4     | 41.7            | 50     | (48) |
| For-profit                     | 37.5    | 50              | 12.5   | (24) |

Source: Vamstad 2007A. * Percentage of respondents ** Includes replies “rather small”, “small” and “very small” ***Includes replies “rather much”, “much” and “very much” **** Total n=271

The parents described their influence on a scale from one (“very little”) to seven (“very much”) and a perhaps more accessible way of understanding the levels of influence is to look at the average score for the different types of childcare. The parent cooperatives had the highest score with 5.64 out of seven, followed by the parent cooperatives with 4.56 and the municipal preschools with 4.37. The for-profit preschools have the lowest score with just 3.58 out of seven.

The types of childcare that score high in the less influential sources of participation but low in the more influential sources of participation clearly have parents that describe their influence as small. The superior level of user influence in the parent cooperative type of childcare appear even more outstanding in the comparison with the other types when described through the users’ own experience as in Table 8.6 On the opposite end of the scale the for-profit type stand out even more clearly as the one with the lowest level of user influence, even if the small size of the selection for that category makes these figures uncertain. Another aspect of the users’ assessment of their own influence is whether or not
they would like more influence. It is quite feasible that a parent can recognize their influence is “small” but still consider it to be sufficient. The Parent Study therefore also asked the parents whether or not they desired more influence at their preschool. The replies to this question are well in line with those presented in Table 8.6 Among the users of parent cooperative childcare only 13.2% stated that they wanted more influence which must be seen as a direct consequence of the fact that they characterize their influence as large. The type of childcare with the second most user influence is, as seen from Table 8.6, the worker cooperative type and it is therefore only natural that the users of worker cooperatives have the second smallest desire for more influence with a modest percentage of 28.3%. The municipal type occupies the third place with 37.3% of the users desiring more influence at their preschool. The low levels of experienced user influence at the for-profit preschools is further illustrated by the fact that as many as 58.3% of the users state that they would like more influence.

Turning now to staff influence we note that the Main Interview Study of childcare of all types of childcare in the two locations contained both questions about how staff as well as parents could influence how things are run at the preschools. A few of the municipal preschools in Stockholm used their *arbetsplatsträff*, or their union based workplace meeting with the management, as a forum for suggestions from the staff. All proposals must, however be broadly agreed upon among all the co-workers and it is the managers that decide whether they are to be implemented or not (Interviews 2006-05-29 and 2006-06-01). The municipal preschool *Mossippan* in Östersund has a weekly meeting with the manager and staff representatives from each department of the large preschool. At these meetings staff can ask for certain changes and the manager can choose to either expedite these changes herself or delegate them to the concerned department, depending on the scale of the change (Interview 2006-10-16). The parent cooperatives were in most cases smaller units with a small group of staff where the manager participates in the daily work along side the rest of the employees. In these cases most decisions were taken jointly in the staff group. The municipal managers in all cases managed more than one preschool and in the cases in Östersund also regular schools. There were no intermediate managers responsible for single units which means that staff members have to go to the manger responsible for their preschool at one of
the meetings mentioned or make a separate appointment (Interviews 2006-06-01, 2006-10-16 and 2006-10-17).

The issue of the staff’s political influence should, of course, be kept apart from the parent’s political influence. There are, however, clear similarities in the distribution of results between different types of childcare. The staff survey study shows that the staff in the two cooperative types of childcare claim that they have much higher levels of influence than at the municipal and for-profit preschools, which is a result similar to that in the Parent Study. The results for the four types are presented in Table 8.7

| Table 8.7 Experienced level of influence in four different types of preschools* |
|-----------------------------|------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                 | Little**         | Neither little nor | Rather much      | Much            | Very much       | n***            |
| Municipal       | 21.8             | 6.5                | 37               | 23.9            | 10.9            | (46)            |
| Parent cooperative | 4.5              | 4.5                | 34.1             | 34.1            | 22.7            | (44)            |
| Worker cooperative | 5.6              | -                  | 5.6              | 16.7            | 72.2            | (18)            |
| For-profit      | -                | 25                 | 25               | 37.5            | 12.5            | (8)             |

Source: Vamstad 2007B. *Percentage of respondents ** Include replies “rather little”, “little” and “very little” *** Total n=116

The staff replies from the staffs ranges from one (very little) to seven (very much), just as in the parent study. The average score for the different types is presented in table 8.8 and the results from the parent study that was presented previously are repeated for purposes of comparison.

| Table 8.8 Average* experienced influence in different types of childcare |
|-----------------------------|-------------------|-------------------|-------------------|-------------------|
|                | Municipal | Parent cooperative | Worker cooperative | For-profit |
| Staff          | 4.82 (n=46) | 5.65 (n=44)      | 6.44 (n=18)       | 5.37 (n=8)     |
| Parents        | 4.37 (n=89) | 5.64 (n=107)     | 4.56 (n=48)       | 3.58 (n=24)    |

Source: Vamstad 2007A, 2007B *Average score on a scale from one to seven ranging from “very little” to “very much”.

The outstandingly high levels of staff influence indicated in the worker cooperative type of childcare are easily explained by the fact that the staff runs the preschool with a small exception of the recently hired staff at some preschools. The fact that the parent cooperative type of childcare has such a high level of staff influence can be related to the fact that the parent cooperatives are fairly small and unbureaucratic. It is interesting that the municipal
preschools have the lowest level of influence and the results show a very clear division between the public sector and the non-public alternatives. It is quite possible that the low estimates of the staff’s influence at the municipal preschools have to do with their being satisfied with their workplace and that they don’t need or want any more influence. The Staff Study therefore also asked the respondents if they wanted more influence and a clear majority (57.8%) of the staff at the municipal preschools said that they did want more influence (Vamstad 2007B). Only 16.3% of the staff at parent cooperatives and 16.7% of the staff at worker cooperatives state that they want more influence, which given the results in table 8.7 indicates that they find that they currently have sufficient influence (Vamstad 2007B).

Three fourths of the staff at the for-profit facilities want more influence at their workplace (Vamstad 2007A). The number of staff from for-profit facilities is, of course, quite small and it is uncertain if the desire for more influence has anything to do with the managerial model at for-profit enterprises. It is clear, however, that the staff at the municipal preschools not only have little influence but that a majority wants more. The reverse is true for both the cooperative types of childcare, whose staff posses a lot of influence and less than one in five feels the need for more.

The Maria-Gamla Stan ward of Stockholm has its own approach to participation. Anita Keuter presents a number of means of participation at the municipal preschools in her ward. She mentions regularly occurring meeting with parents and staff where both minor and major issues can be ventilated. She describes a standing parental committee that channels concerns of the parents directly to the childcare staff or the administration in the ward. She also mentions that there is an open forum at the municipal level where parents can address not only administrative staff but also the local politicians (Pestoff and Strandbrink 2004). Users are given information and they are allowed to deliver wishes and requests but since decisions are taken at the municipality they are in the end is dependent on a wider political agenda set by the political majority and not as a joint decision with the users. There is no co-production in the municipal childcare in Maria-Gamla Stan: the users may obtain insight into the decision-making process in no way participate in the actual production of the service.
Another important specification of the participation process is that these channels of influence are only open to the municipal form of childcare. Non-municipal preschools do not participate in the boards or forums with the municipality; they are not integrated in the local political context (Pestoff and Strandbrink 2004, p. 44). The question of participation in the non-public preschools is therefore two-sided. The cooperative preschools generally have a high level of participation in all forms at the preschool, including decision making. The for-profit preschools generally have lower levels of participation, comparable with those of the municipal preschools. Neither the parent cooperatives nor the for-profit preschools have, however any form of extended participation in the local political process that ultimately decide their conditions. It seems as if the situation in Keuter’s Maria-Gamla stan ward is, all in all, relatively well equipped with means of participation, compared to most other wards and municipalities. Bromma, another ward in the Stockholm part of study, has in this regard conditions resembling those in Maria-Gamla stan, which is understandable bearing in mind they are both found in the Stockholm municipality.

The interview with Karl-Erik Johansson, manager of a municipal preschool in Östersund, suggests that the general level of parent participation at “his” preschool is very low. The parents are absent both in the actual running of the preschool and the decision-making. In other words, parents are neither very involved in the day-today activities at the facility, nor in the decision-making or organization of the childcare. The participation at his municipal preschool is largely limited to family committee meetings twice a year. These are, however, information meetings rather than real forums for democratic discussions and decisions, which limits the element of participation. Johansson suggests that most parents, according to his experience, do not want to participate in the work at the preschool (Pestoff and Strandbrink 2004).

In Karl-Erik Johansson’s mind, there are two general categories of parents: Firstly, there is a group that really cares about the child and what she or he is doing all day. These parents usually stay an extra half an hour every day, asking questions not only about their own child but also about the whole of the group, plans for the future pedagogic work, etc. Secondly,
there is a group consisting of parents who work full-time and who don’t feel that they have any extra time for asking questions about how things are going at the preschool. These parents show up each term at the regular parent and staff meeting, but that is all, he concludes (Pestoff and Strandbrink 2004). The issue of having time and actual possibility to participate in the preschool is also addressed by Agneta Lundin in Kista. She argues that the parents in her part of the Kista ward have to work long and hard to make ends meet and therefore lack both time and energy to make inquiries into the activities at the preschool, not to mention formulating proposals of their own (Interview 2006-05-29).

The generally speaking low level of participation at the municipal preschools might also reflect the low level of independence for the municipal childcare facilities. Johansson claims that all the control over “his” preschool is basically exercised by politicians at the central municipal level, and not at the provision-level of the organization. Managers, like Karl-Erik Johansson, have no control at all, according to Johansson himself (Pestoff and Strandbrink 2004). Everything from staff issues to the size of child groups is decided on the municipal level and neither the staff, nor the parents have a chance to influence the decisions. This fact does, of course, affect the enthusiasm about the parent committee meetings and the parents’ willingness to become involved. These meetings do not, for obvious reasons, stand out as a forum for influence for the parents. Parents who have issues they want to deal with usually bring these up directly with the staff, according to Johansson (Pestoff and Strandbrink 2004). His story reveals participation levels that are low in co-production, co-ordination and perhaps especially co-governance. His explanation relies largely on the notion that parents do not want to participate actively in the provision of childcare. This explanation, which is most likely based in his personal, professional experience in the field, might very well go a long way towards explaining the low level of participation at municipal preschools. There are of course both structural reasons as well as explanations relating to the preferences of the users. A factor that is difficult to measure and which is not approached here is the question of selection. If there are, as Johansson believes, active as well as less active parents, then the more active ones might be more inclined to choose the parent-cooperatives while the parents who are less active choose municipal childcare to a larger degree. Still, even if this to some extent is the case, there are still the parents who stay an extra half hour in the afternoon at
the pick up, even at the municipal preschools. The failure to engage this active group of municipal childcare users can only be explained with structural hurdles, as is also suggested by the interview.

The level of participation is clearly much higher in the parent cooperative form of childcare provision, which becomes clear when studying the interviews with the managers of the parent cooperatives in Östersund and Stockholm. Parental participation is obviously one of the key elements of a parent cooperative preschool. In cooperatives, like those in Östersund where Agneta Rydstedt or Maria Hedberg are managers, the parents understand the organization and they make decisions about everything. Their participation also extends to the daily routine activities, since they have to work in the child care facility on the average of at least one week every year. Every parent is involved in the board of the preschool at some time during their children’s stay at the cooperative. Work on the board includes at least one meeting a month (Pestoff and Strandbrink 2004). The meetings between parents and regular staff, however, generally occur more often. A lot of time has to be put into the preschool with the one week of regular daytime work per year that is required from each parent. The work means, however, that many questions that arise among the parents can be addressed right away, during the daily activities. Many parents at Rydstedt’s preschool say that they would not want it any other way. In the cooperatives, the parents have, in other words, full control. They work as a board and, within the legal perimeters, they decide everything themselves (Pestoff and Strandbrink 2004). Both of the cooperative managers state that they are tolerant in situations of conflicts and problems. They claim that they try to deal with every kind of situation as it arises.

Bodil Steen, a senior employee at the parent cooperative Björken in the Skärholmen ward of Stockholm, tell much the same story as Hedberg and Rydstedt. Parent participation is close to total at her preschool. Steen shares some interesting sentiments about parent participation with the interviewer. She says that as much as she likes the close contact with the parents, there are some disadvantages with the parents’ involvements. She feels that it is great to have such active parents, people whom the children know and trust. But parents’ familiarity also causes some problems. Everybody feels so much at home that they tend to treat the
place as a second home rather than a workplace, she notes (Interview 2004-01-09). Everybody has their own keys and they sometimes go there to borrow things and let their children play there after work hours. It is also a problem that parents remain in the preschool after their scheduled care hours, just to socialize and have their children play outside Björken, together with children who are still formally in care. “Sometimes I must find nice ways to tell the parents to get themselves together and go home after they have picked up their kids”, Steen reports (2004-01-09). This problem did not exist at the municipal facilities she worked at earlier. There, none of the parents would think of staying on at the premises after picking up their child.

Another problem has to do with the rotation of parents in management positions. “Members of the board only stay on for one year” Steen says, and goes on: “When they leave the board, they are just beginning to learn how things are run, it takes a long time to learn everything” (Interview 2004-01-09) The positions at the cooperative’s board are refilled so often that there is no continuity, which in turn creates a certain lack of business knowledge among board members at any given time: “A lot of time is spent on informing the parents how to do things, time that could be spent with the children […] then we have to start all over again with the new parents the following year” (Interview 2004-01-09). The parent’s lack of information ranges from not knowing in which drawer to find certain things, to not knowing how to handle staff recruitment (Interview 2004-01-09). These problematic aspects of user participation might very well have been missed using any other method than in-dept interviews. It is hard not to ascribe to user participation positive, normative judgments even if this is not the purpose of this chapter. The following chapter on service quality is designed to control for this, since it analyses the actual outcome, beyond the values that might follow a specific form of provision.

8.4 Recent, present and future trends in participation

The largest type of non-public childcare is the parent cooperative type (Pestoff 1998). The history of the parent cooperative preschools where described and analyzed above but the primary empirical material collected in Stockholm and Östersund also revealed possible present trends in the non-public childcare. One such trend seems to be that parent
cooperative preschools are meeting increasing problems with involving parents in the provision of childcare and that some existing parent cooperatives in many cases have more or less concrete plans for transforming themselves into another non-public organizational type.

A staff member at the parent cooperative mentioned in the previous part, Steen, who considered worker cooperative as a more desirable type of childcare was the first of the interviewees to express such thoughts (Interview 2004-01-09). However, the question of the future of the facility had proved so interesting that it was added to the question sheet for the following eleven interviews at parent cooperative preschools. All eleven managers confirmed that they had considered changing type, at least occasionally and at least as a hypothetical possibility. Several of the preschools studied were, however, seriously considering transforming into worker cooperative preschools and one had already begun the actual transition. One of the two managers of worker cooperatives said that her preschool used to be a parent cooperative (Interview 2007-02-19). The transition from parent cooperative to worker cooperative was favored both by parents and staff in these cases. The initiative to make the shift at one pre-school in Stockholm came, for instance, from the parents (Interview 2007-02-20B).

The preschool managers were also asked about their thoughts on the future of the non-public form of childcare as a whole. All of the managers of non-public preschools in Stockholm were highly pessimistic about the future of the parent cooperatives. My Jansson-Swahn, who is the manager of a worker cooperative in Stockholm and also a lecturer on preschool pedagogies, meets a lot of preschool staff from all around Sweden. She refers to the parent cooperative form as “dying” (Interview 2007-02-19). She describes that the societal climate has changed since the heydays of the parent cooperatives in the 80’s and 90’s and that it is not realistic to expect that kind of commitment from today’s parents (Interview 2007-02-19)\(^\text{46}\). Similar remarks are made by other preschool managers, Kerstin Florén, who manages a

\(^{46}\) The argument that parents today do not have as much free time as before is not supported by available statistics, which shows that the average working person in Sweden had fifteen daily minutes more free time in 2000 than in 1990 (Giljam 2003, p.189-190). See Giljam (2003) for a further discussion on free time and democratic participation
parent cooperative in Stockholm, goes as far as to say that “the days of the parent cooperative are over” (Interview 2007-02-20B)

Most of the opinions gathered from the interviewed managers express doubt about the future of the parent cooperative type of childcare, in one way or the other. A note of caution might be appropriate at this point, however. Chapter Seven showed that the managers viewed other types of childcare differently from their staff. It is quite possible that the managers have motives for their opinions on the past, present and future trends in participation that are not shared by other categories of staff in the childcare sector. It is, for instance, only the managers that are exposed to the political pressure from local government. These results from the interviewed managers are not matched by similar results in the other empirical materials, like the surveys directed to the staff and the parents, which makes them an exception from the method of triangulation between different sources that is used extensively in this study.

What would this assumed potential development away from the parent cooperative type och childcare provision mean for the theoretical foundations of this research? If you assume that in ten years parent cooperatives will be largely replaced by worker cooperatives and for-profit preschools, how would this affect the third sector’s ability to meet the challenges to the welfare state and how would it affect the welfare state itself?

The parent cooperative form of running childcare facilities represents a clear example of participatory democracy of the kind that is here considered a possible complement to existing representative democracy and therefore a means of balancing the collective democratic input when the representative functions are failing to fill their intended purpose. Parent cooperatives organize the users of a particular service and give them far reaching authority over this important element in their everyday life. It is therefore the parent cooperatives that are considered the primary object of study here, considering the focus on the democratic and economic challenges to the welfare state.
If there were a shift from the parent cooperative form of childcare to the worker cooperative and for-profit forms, then much of the basic assumptions about the third sectors intercepting influence over the challenges to the welfare state would be altered. The element of direct user participation is essential in these assumptions and the worker cooperative and for-profit forms do not offer this type of democratic input – or at least not to the same extent.

A shift from parent cooperative childcare to worker cooperative and for-profit would not, however, result in a complete lack of democratic benefits in the non-public sector. The worker cooperatives offer the professional staff in Swedish childcare a chance to control their own workplace instead of having it controlled by a centralized bureaucratic system. Worker cooperatives are in general one facility organizations and this study suggests that they have a flexible, democratic and usually efficient management. Parents may not have the direct authority over the preschool but they can influence it in a much more uncomplicated manner than with a municipal preschool because of the open and unbureaucratic management style in the worker cooperatives. Parent initiatives in municipal childcare face very many obstacles simply because there are no practical arrangements for handling them. If a parent where to suggest something to a member of the staff, then this employee would probably not know how or where to convey the message into the organization. The parent could of course bring his or her suggestion directly to the preschool manager but the municipal managers usually manage three or four different pre-schools with a few hundreds of children can spare little time or effort to listening to individual parents. Things are further complicated in the municipal preschools by the local authority’s rules and regulations and the web of bureaucratic practices that prevents contact between the service users and the ever declining numbers of local elected officials. Worker cooperatives do not have these problems with handling initiatives from the parents, they have a compact and horizontal power structure that allows decisions to be made swiftly, efficiently and independently from a distant, central authority.

The for-profit preschools share some of the same characteristics as the worker cooperatives, at least in some cases. For-profit preschools can also be one unit organizations with a high level of flexibility and attentiveness to the wishes of the users. They can, however, also be
large scale organizations with many of the same problems confronted by municipal preschools. The empirical material collected for this study suggests that the size of the childcare provider is a relevant factor for the ability to organize democratic input into society. For-profit provision of childcare also faces other limitations in this regard. The study of childcare in both Stockholm and Östersund reveals widespread suspicion of profit-seeking, both from parents and staff at preschools. Profit is damaging to the process of building trust in institutions according to Hirschman and there is nothing to contradict this argument in the present study (Hirschman 1970). The worker cooperatives reinvest their financial surplus and they usually have a surplus since they do not have to pay for a large administration.

The hypothetical transition from the parent cooperative form of childcare as main provider in the non-public sector to other forms of childcare is therefore better directed to the worker cooperatives than the for-profit preschools with regard to democratic input.

8.5 Summary of Chapter Eight

The general conclusion of Chapter Eight is that the third sector providers have a higher level of participation from parents, which has economic as well as democratic benefits that might be valuable in a welfare state facing challenges.

The chapter differentiated between three different types of participation, social, economic and political. All three types of participation were also divided into a micro level, participation at the preschool, and a macro level, participation between the preschool and the surrounding community. The emphasis was on the micro level in all three types.

The parent cooperative type of childcare clearly had the most social participation while the worker cooperative and for-profit types had a little less and the municipal the least. The kind of social participation that was studied was such activities as parties, open houses and informal talks. The social participation leads to a better insight into the daily activities at the preschool for the user, which is illustrated by the fact that the order in which the types of
childcare rank in amount of social participation is the same order as for how they rank in insight, as stated by the users.

Economic participation by the users or the staff is not encouraged in the Swedish welfare state. It is therefore interesting to find examples of both in the presented primary material. The parent cooperative type has, of course, a high level of economic participation from the users, especially in terms of unpaid labor. More surprising is to find that close to half of the users of municipal childcare have participated in some form of cleaning or repair at their preschool, at least to some extent. It is also often assumed that the staff of the municipal preschool is more professional than the staff of non-public preschools when it comes to differentiating between their work hours and their free time. The primary material show, however, that someone working at a municipal preschool is just as likely as a staff member at a parent cooperative to carry out unpaid services like making purchases in their free time. The staff at worker cooperatives is more likely to perform such services while the staff at for-profit facilities seems to be divided evenly between those who never carry out such services and those who frequently do.

The political participation in Swedish childcare is mainly channeled through the general system of representative democracy. The non-public types of childcare have, however, complimentary, direct channels for democratic influence. The parent cooperatives are controlled by the users, the worker cooperatives by the staff and the for-profit preschools by the shareholders that in some instances can be the users, the staff or combinations of the two. There is no system for governance of the kind found in the German childcare sector but the Swedish preschools are in turn relatively independent. The regulation of Swedish preschools is limited to a quite general national plan (LPFÖ 98) and the UN conventions on the rights of the child.

Parent cooperative childcare is the type with the most influence for the parents, as was expected. The worker cooperative type of childcare has the second most, the municipal type the third most and the for-profit type of childcare have the least user influence. The forms of influence also differ between the different types of childcare. The parent cooperative type of
childcare have the most parent participation in “strong” forms of influence like meetings with decision-making powers while the municipal and for-profit types relies on informal talks between parents and staff. A majority of the users of for-profit childcare and more than a third of the users of municipal childcare want more influence at their preschool, while only one fourth of the parents at the worker cooperatives and one eight of the parents at parent cooperatives declare the same. The staff at the worker cooperative type of childcare have the most influence, followed by the parent cooperative, the for-profit and the municipal type of childcare in that order. A majority of the staff at the municipal preschools state that they want more influence while only a few of the staff members at the non-public preschools say they do.

This chapter also looked at some trends in participation in the area of childcare. A preliminary conclusion about these trends is that the parent cooperative preschools with their high level of user participation might be replaced by worker cooperatives of for-profit facilities. The effects of this trend is dependent on which of the two types that replace the retreating parent cooperatives, the worker cooperatives have great levels of staff participation and fairly good user participation while the for-profit facilities generally score low on all forms of participation. It is, however, yet too early to decide which direction participation in the childcare sector will take.

The level of participation of parents is the greatest among the parent cooperatives, which is of course not surprising. The findings provide some further insight in what this participation looks like and how it works in the cooperative organization. The significance of this participation for the Swedish welfare state is twofold; it has both a democratic and an economic significance. The democratic significance of participation as a counterweight to the problems for the representative democracy have been presented above. The economic significance of parent participation in the childcare provision is of course that the unpaid work provided by the parents can lower the costs for childcare taken as a whole. Interestingly enough, however, the unpaid work provided by the parents is not merely a cost transferred from the public sector to the private users; the users also receive an added value
from the work effort in terms of enjoyment and satisfaction of spending time with their children.

The high level of participation by parents can be seen as a sign of high quality, according to the proposition 2004/5:11. This statement alone indicates that the parent cooperatives are of sufficient or even superior quality. The findings also reveal that the parent cooperatives maintain a high level of quality also in terms of staff, flexibility and user satisfaction. The service quality is a relevant factor since positive findings about the parent cooperatives on the quality parameter would show that the third sector can be useful in facing the challenges to the welfare state without lowering the quality of the welfare service produced. The service quality of different types of childcare will, therefore, be further explored in the following chapter.
9 Service quality in Swedish childcare

Service quality is understood here as a dynamic concept, something that varies and develops over time. There is not one single way of providing high service quality but service quality is more likely to occur when communication between providers and receivers allows it to be developed through dialog. This way of looking at service quality is supported by such different sources such as Hirshman (1982), Pestoff (2005) and government bill 2004/05:11 which states that communication and service quality are synonymous (Prop. 2004/05:11). There are many ways of measuring quality, as noted below. A categorization of two general ways to look at quality would be either as it is experienced by the user or according to some kind of objective standards like level of education among staff, number of children per staff member and available resources etc. The present research provides examples of quality measured from both these perspectives. The first approach, how the users experience the quality of the care, is an indirect way of measuring quality. One such study measuring parent satisfaction is found in Ivarsson’s user satisfaction survey among parents in Stockholm (Ivarsson 1999). He finds very high levels of satisfaction with childcare in general and with the staff at the childcare facilities in particular. This very positive outcome is contrasted with the decrease in amount of funding per child during the 1990’s, which lead to two somewhat conflicting conclusions: that the deterioration of childcare standards has not been as radical as generally assumed or that the causal relation between funding and perceived childcare standards is a spurious one (Ivarsson 1999). Several different indicators of service quality are considered here, each under a separate heading.

9.1 The staff’s level of education and the child per staff member ratio

The educational level of the staff in childcare is one measure used to estimate the service quality. The percentage academically educated staff members is often used in such assessments but this measurement depends, of course, on the assumption that there is an actual, causal relationship between educational levels and service quality. In order to

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47 Parts of this chapter have previously been used by the author in the TSFEPS synthesis report. References to other parts of that study are made according to the normal procedure for references.
underline the latter, service quality should be good in the Maria-Gamla stan ward, where in 2003, some 53% per cent of the staff in the childcare sector were academically trained. The percentage of academically trained staff in the outer-city ward of Skärholmen and in the rural city of Östersund is considerably lower. One effect of using educational levels among staff to assess service quality is, that service quality seems to be higher in central urban areas, which would be contrary to other means of measurement. Another relevant, objective measure of service quality might be the size of the children’s groups. The most commonly heard criticism from parents is that the groups are too large and staff also tend to mention smaller groups as a step towards higher quality. A report from the Swedish Association of Local Authorities verifies that the children per staff ratio has developed towards more children per staff member in the last decade, even if there has been a downwards turn in number of children in the last couple of years (Fernstedt 2004, p.43). In a more in-dept analysis provided by the same report, the development towards larger child groups and fewer staff is explained by the many reforms in the childcare sector in recent years. The report mentions the childcare entitlement introduced in 1995, the introduction of preschool classes at regular schools in 1998, entitlement of childcare for children of unemployed 1998, the maxtaxa and the entitlement of childcare for parents on child leave 2002 and the general preschool service for the 4-5 year olds in 2003. These different reforms are not fully financed by the state, which has led to financial strain for the municipalities, leading in turn to fewer staff per child in childcare. The cost for each child has decreased by 30% between 1993 and 2003 (Fernstedt 2004, p.24). The number of children per staff member and the level of education among staff in 2002 are shown by Table 9.1.

<table>
<thead>
<tr>
<th></th>
<th>Stockholm</th>
<th>Östersund</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Municipal</td>
<td>Non-Public</td>
<td>Municipal</td>
</tr>
<tr>
<td>Number of staff</td>
<td>4,256</td>
<td>1,810</td>
<td>376</td>
</tr>
<tr>
<td>Children/staff ratio</td>
<td>5.1</td>
<td>5.4</td>
<td>4.8</td>
</tr>
<tr>
<td>Percentage of staff with higher education</td>
<td>45</td>
<td>47</td>
<td>61</td>
</tr>
</tbody>
</table>

Source: Skolverket rapport 229
Service quality as measured by these criteria seems to have reached a low point in the mid 1990’s as the sector expanded beyond the current input of resources. First in the late 1990’s and the early 00’s was there a balance between an expanded childcare sector, both in number of children and number of services, and the available resources. Still, this balance was obtained at a lower level than before the numerous reforms; it would seem that the expansion in number of children and services has had an overall negative effect on the quality, seen in staff density, size of children groups and recourses per child. This implies that the social democratic governments of the 90’s favored the universalism of the childcare sector, at the expense of a reduction in quality of service, even if only temporarily.

Another aspect of staff density is how staff members experience it themselves. The actual figures from the National Agency for Education presented in Table 9.1 give a good overview of the situation in the two locations and in Sweden as a whole. It is possible, however, that the condition also could be described by how the density of staff is experienced by themselves since seemingly troublesome figures might not be as troublesome under the right circumstances. It could also be that good figures do not describe a situation that is experienced as good by the staff. The results from the Parent Study show how staffs in the different organizational types experience the density of staff, as seen in Table 9.2.

<table>
<thead>
<tr>
<th>Table 9.2 Staff’s opinion about the staff-density*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
</tr>
<tr>
<td>Good**</td>
</tr>
<tr>
<td>Neither good nor bad</td>
</tr>
<tr>
<td>Bad***</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>n****</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. * Percentage of respondents ** Includes replies “rather good”, “good” and “very good” *** Replies “rather bad”, “bad” and “very bad” **** Total n=116

The staffs’ opinions about staff density are very similar in the non-public types of providers, at least regarding how many that consider it good, while the municipal staff is more critical. This result contradicts the one in Table 9.1 which showed that the municipal preschools had a slightly higher children per staff member ratio. It is easy to understand high levels of
satisfaction with staff density in the parent cooperative preschools since additional work is provided by the parents themselves. The high appreciation of staff density at the other two types of non-public childcare is more surprising. Perhaps the greater flexibility in the small organizations is one explanation; perhaps is the fact that the staff at the worker cooperatives controls their own workplace provides another explanation. The staff at the worker cooperative own their own workplace and the same is true for some of the small scale for-profit preschools. They can, in other words, decide their own staff density and the fact that they are their own bosses might influence how they look at staff policy at their preschool.

9.2 User satisfaction
The study of user experiences is somewhat inconclusive on the question how service quality varies between different forms of provision. Almost all interviewed parents are very content with the childcare they are presently receiving, but several interviewees refer to previous negative experiences in other forms of provision. A parent interviewed in the Maria-Gamla stan ward is extremely satisfied with her child’s present municipal childcare. She recalls, however, the uninspired attitude among staff and poor quality of the facility at the for-profit facility she has used previously (Pestoff and Strandbrink 2004). The opposite story is told by a parent at a for-profit facility in the Skärholmen ward, she praises the care at her child’s preschool and emphasizes how much better it is than the municipal preschool she used for her older child (Pestoff and Strandbrink 2004). The Parent Study indicates that parents with previous experiences in general are more satisfied with their current childcare provider, 77 out of the 105 families with previous experience are more pleased with their present childcare (Vamstad 2007B).

The Parent Study also offers some more specified insights into perceived quality. The parents where asked if they had previous experience of other childcare facilities and if yes, whether they where more content with their current childcare. Among the parents at municipal preschools 48.5% were more satisfied with their present childcare than their previous one. Among the parents at parent cooperatives with previous experience 94.3% were more satisfied at their current childcare facility compared to the previous one and 90% of the users of worker cooperatives answered the same (Vamstad 2007A). The difference between these
two and the for-profit type, is considerable. Only 30% of the users of for-profit childcare are happier with their present preschool than their previous one, while the remaining 70% are less satisfied now (Vamstad 2007A).

One possible reason behind the results for the third sector is that parents in many cases chose to switch from a facility of lesser quality to something that they perceived as better. This should then, of course, be equally true for the parents at the municipal and for-profit facilities, which is obviously is not the case. The third sector types have almost only parents who see their new preschool as an improvement from the previous one, the users of municipal childcare are almost equally likely to be more happy as less happy with their present childcare while the users of for-profit care appear more satisfied with their previous childcare. However, a total of 91 families had previous experience of a municipal preschool and only 21 of these chose to switch to another municipal preschool, which is remarkably low considering that the vast majority of the total number of preschools are municipal (Vamstad 2007A).

One difference is of course that the parents at parent cooperatives can actively shape their childcare while the parents at the municipal and for-profit preschools simply receive a service48. The users of worker cooperative childcare do not shape their own childcare themselves but this study shows that they can never the less influence their preschool quite a lot since they are not part of large, static organizations. Parents who are given the chance of influencing their childcare become involved – but also taking greater personal responsibility might enhance their likelihood of replying that their present preschool is better than their previous. This interpretation relies on the assumption that parents at parent cooperatives have switched from a preschool with another organizational form to their present cooperative one. The Parent Study also asks the parents what type of preschool they have switched from. The results show that among parents with previous experience of other preschools in parent cooperative facilities, only five per cent of the families had previous

48 Not only can users of cooperative services shape their preschool the way they want to, it is also possible that the mere existence of channels of influence creates greater satisfaction. A factor analysis of the parent study shows that the influence and insight variables combine to create a strong factor together with the satisfaction variables (Vamstad 2007)
experience of another parent cooperative and roughly as many had experiences from worker cooperatives, for-profit preschools and family daycare. The remaining parents, a vast majority, referred to previous experiences in municipal childcare (Vamstad 2007A). We therefore know that all the parents who have switched to parent cooperatives are more satisfied than before. We also know that almost all of them switched from municipal childcare to parent cooperative childcare. We can only assume that these two facts are correlated however, the survey material is not extensive enough to make a credible statistical inference to this effect. In addition to this, the Parent Study has several examples of parents using municipal childcare who made a point of mentioning that they would use parent cooperative childcare, had it been available, in many cases these comments were motivated by previous positive experiences. No such comments where made by parents already using parent cooperative (Vamstad 2007A).

9.3 Resources
There are indications in the interview material, that the corporate structure of for-profit preschools might lower the service quality there. One user says that her for-profit preschool tries to keep down labor costs by not hiring temporary staff when members of the regular staff are on sick leave. One consequence of this is that the staff has to keep the activities at the preschool at a minimum. Despina Gramenidis, who works for the municipality in the Skärholmen ward, seems to hint at a similar conclusion. She argues that the much greater pool of employees in a larger organization like the municipality guarantees access to competent staff, even during sick leaves and such. She also refers to the 25 or so specialists that her ward can have working in the municipality as a whole, performing functions where they are needed. Gramenidis further argues that the economy is generally more stable in the public sector, which naturally favors an even, high level of service quality (Interview 2004-01-09). Gramenidis’ sentiments are shared by several of the managers of municipal preschools interviewed in the study, for instance Anki Janarv Sahlén in the Kista Ward of Stockholm. She argues that “My experience tells me that in a private preschool, whatever type, they don’t have the same resources to accept all children” and continues “We have completely different resources within the municipal services”. Janarv-Sahlén is especially critical of the parent cooperatives being able elect not to accept children that they do not
have the resources to enrol, typically children with special needs (Interview 2006-06-01). Maria Hedberg at Bikupan parent cooperative in Östersund, hardly surprisingly, has a different opinion. She argues that resources are readily available at the parent cooperatives if the board agrees to make room for what is needed in the budget. Since the main contribution from the parents is work hours, additional resources can be added to the preschool this way when needed. The work effort by parents is not affected by economic hardship and the cooperatives have in that regard an advantage compared to the municipal preschools that can be subjected to cutbacks and reorganization due to financial problems in the municipality as a whole. Hedberg also states that additional resources can be added to the preschool by pooling some costs with other cooperatives and charge money for some extracurricular services such as educational visits at the preschool (Interview 2006-10-09).

Nor does Marianne L Forsberg, the manager of a worker cooperative in Stockholm agree that the non-public preschools are limited by lack of funds. Her worker cooperative has had a substantial surplus since the start even though the preschool offers the staff several costly benefits that the municipality cannot afford. She explains this with the cooperative organizational form, where all surplus is reinvested in the preschool rather than being skimmed off by owners as profit (as in for-profit childcare) or used to pay a costly bureaucracy (as in municipal childcare) (Interview 2007-02-21). These conclusions are shared by the manager of the other worker cooperative preschool in the study (Interview 2007-02-19).

9.4 Work environment

Special attention was given to the issue of the working environment, both in the Staff Study and in the interviews with the preschool managers. The Staff Study shows that the physical work environment varies according to organizational types, as can be seen from Table 9.3.
Table 9.3 Satisfaction with physical work environment*

<table>
<thead>
<tr>
<th></th>
<th>Bad*</th>
<th>Neither good nor bad</th>
<th>Good**</th>
<th>Very good</th>
<th>n***</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>22.2</td>
<td>22.2</td>
<td>55.6</td>
<td>-</td>
<td>(45)</td>
</tr>
<tr>
<td>Parent</td>
<td>6.8</td>
<td>13.6</td>
<td>72.7</td>
<td>6.8</td>
<td>(44)</td>
</tr>
<tr>
<td>Worker</td>
<td>5.6</td>
<td>11.1</td>
<td>55.6</td>
<td>27.8</td>
<td>(18)</td>
</tr>
<tr>
<td>For-profit</td>
<td>12.3</td>
<td>16.5</td>
<td>87.5</td>
<td>-</td>
<td>(8)</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. *Percentage of respondents ** Includes replies “very bad”, “bad” and “somewhat bad” *** Replies “somewhat good” and “good” **** Total n=116

The physical work environment is considered the best at the worker cooperatives followed by the parent cooperatives and then the for-profit preschools. The staff at the municipal preschools is the least satisfied with their physical work environment. It is difficult to know how to interpret these figures. It seems unlikely that the non-public preschools simply have more resources to spend on the work environment. The Prestudy and the Main Interview Study suggest that the studied, non-public preschools have a sound economy but they are by no means wealthy and their economy is of course just a fraction of that of the municipal preschools. It is therefore interesting to note that the organizational types with the most staff influence also have the highest level of satisfaction with the physical work environment. The type with the second most staff influence have the second highest level of satisfaction, the type with the third most staff influence have the third highest level of satisfaction and the type with the least staff influence have the least satisfaction with the physical work environment.

If the assumed relation between influence and work environment satisfaction holds one would expect even clearer results for the psychosocial work environment. An uncomfortable chair or a troublesome staircase is to some extent a physical work environment concern regardless of staff influence. A high level of staff influence does, of course, mean that there is a greater readiness to deal with such problems and the feeling of empowerment in issues of physical work environment can also raise levels of satisfaction. The satisfaction with the psychosocial work environment should however be even more clearly and probably directly related to staff influence. A staircase is a staircase but the interrelational climate at the preschool has everything to do with how the individual staff member feels in relation to his/her preschool and colleagues. If he or she feel disenfranchised and lacks influence at the
preschool, the satisfaction with the psychosocial work environment could be assumed to be lower. This assumption is supported by the findings in Table 9.4.

<table>
<thead>
<tr>
<th>Table 9.4 Satisfaction with psychosocial work environment*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bad</strong></td>
</tr>
<tr>
<td>Municipal</td>
</tr>
<tr>
<td>Parent cooperative</td>
</tr>
<tr>
<td>Worker cooperative</td>
</tr>
<tr>
<td>For-profit</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. *Percentage of respondents ** Includes replies “very bad”, “bad” and “somewhat bad” *** Replies “somewhat good” and “good” **** Total n=116

The pattern found here is the same as for the physical work environment but the distribution mean is considerably higher for the psychosocial work environment. The organizational types that scored high on the physical work environment scored even higher on the psychosocial work environment. The municipal type also scored higher on the psychosocial type but not nearly as high as the other types, which implies that the assumed correlation between influence and work environment satisfaction is even stronger for psychosocial than for physical work environment. The difference in mean for the two measurements is shown in Table 9.5

<table>
<thead>
<tr>
<th>Table 9.5 Means* for work environment measurements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean 1**</td>
</tr>
<tr>
<td>Municipal</td>
</tr>
<tr>
<td>Parent cooperative</td>
</tr>
<tr>
<td>Worker cooperative</td>
</tr>
<tr>
<td>For-profit</td>
</tr>
</tbody>
</table>

Source: Vamstad 2007B. * The replies were graded from 1 (very bad) to 7 (very good) ** Physical work environment *** Psychosocial work environment **** Total n=116

The interviews with preschools managers provide some insight into the readiness to address problems with work environment. A general conclusion is that the available means for work environment improvements are very similar at municipal facilities and parent cooperative ones. The same kind of stories about arguments with landlords over shortcomings of premises’ are given by both municipal and cooperative managers and they have about the same routines for calling in special expertise in cases of bad psycho-social work environment. The municipal and parent cooperative preschools in Östersund even use the
same provider of occupational health care services. The work environment issues themselves are also very similar, there are problems with noise and problems often stemming from having old and run down premises. Anki Janarv Sahléns municipal preschool in the Kista ward of Stockholm had to be demolished because of unsanitary conditions; it was replaced with another building that had been used for several decades by the municipality, for various purposes (Interview 2006-06-01).

The remarkably high level of satisfaction with psycho-social work environment at the parent cooperative preschools is not surprising if one considers the findings in other available studies of the issue of cooperatives and work environment. Pestoff concludes that the active participation of staff in running preschools as well as a generally good level of communication between staff members, management and parents at the cooperatives greatly benefits the psycho-social work environment and also how the physical work environment is perceived (Pestoff 1998). The parent cooperative preschools in this study all spend a lot of time and energy on communication, the staff and management must be able to explain all the professional considerations they make to the participating parents, while the municipal staff and management can rely on the parents’ trust in their professionalism, since the parents don’t participate in the day-to-day work at the preschool. It is this greater level of communication and equalized level of information that Pestoff considers beneficial to the working environment (Pestoff 1998). The cooperative way of improving this environment is, in other words, one where authority and information are evenly distributed among all concerned actors, a method not the least interesting because of the fact that it does not lead to greater costs of the service provision, in fact it may result in the opposite.

9.5 Service quality and the maxtaxa

The managers in the municipal childcare system have, as mentioned, procedures for quality assessment of their services. The procedure includes the staff at each preschool, which together makes a joint assessment of the development of the service quality. One interesting finding from these surveys, which seems to be common among all types of preschools, is that the maxtaxa has lowered the stress levels among the children (Pestoff and Strandbrink 2004). The obvious reason for this is that now parents don’t have to rush to and from the
preschools, as they did before. Since the maximum cost for their childcare is set, they don’t have to fear being charged extra by the preschool, if they exceed their children’s time-limits. The children can arrive a bit earlier in the morning and stay later in the evening without their parents having to think about it costing them any more. This, in turn, means that that the children and the parents can take the time to finish what they are doing before they leave. Karl-Erik Johansson, who is the manager of a municipal preschool in Östersund, finds this development very positive, especially with regards to the parent’s involvement in their children’s care. The parents spend more time to talking to the staff about what has happened during the day: “Now they ask more about the child, and not only what we ate for lunch”, he states (Pestoff and Strandbrink 2004).

The maxtaxa and its impact on service quality was an issue addressed both in the interviews and both of the Survey Studies. Agneta Lundin, manager of municipal preschool in Stockholm, has noticed very little difference since the maxtaxa was introduced and her colleague Anki Janarv-Sahlén in a neighboring preschool agrees. They claim that their parent where already using the possibility to get childcare to the full, they did not leave their children for longer hours at the preschool after the introduction of the maxtaxa, at least not to a significant extent (Interviews 2006-05-29 and 2006-06-01). They both hint towards that there might have been a slight increase in attendance hours in some cases but this is perceived as purely positive. Janarv-Sahlén argues that it is better that a parent can do some shopping at the store after work before picking up the child than to take the child to the store with all the stress that that entails. A relaxed and rested parent is better for everyone; she says (Interview 2006-06-01). Another preschool manager who supports Johansson’s positive sentiments is Maria Börjars-Wiktorsson, the municipal preschool manager in Östersund. She swiftly replies to the question about the effects of the maxtaxa by saying that things have become much better after its introduction. Before the maxtaxa the municipality of Östersund offered different price alternatives depending on how many hours of childcare the different families used. The job of checking that some parents didn’t use more hours than they had paid for fell on staff, they became, in Börjars-Wiktorsson’s words “policemen”. The maxtaxa did away with this differentiated system which allowed the staff to focus on their pedagogical work, which is clearly an improvement of service quality (Interviews 2006-10-
The impact of the maxtaxa on the parent cooperatives was already addressed earlier. The maxtaxa seems to have had little impact on most preschools but in the cases where it was conceived to have had an effect, it was a positive one with regard to service quality.

These observations seem to correlate with the finding in a large parent survey performed by the Swedish Trade Union Confederation. This survey shows that an increase in attendance hours is one the most significant effect of the maxtaxa and this is one effect that is evident among all categories of parents and social groups (Fransson and Wennemo 2002, p.11-12).

9.6 Service quality in different organizational types

The parent cooperative preschools seem to provide a high level of service quality, regardless of which measurement that is applied. The users are very satisfied; educational levels are high at the studied cooperatives, children’s groups are small and staff absence is seldom a problem since parents can cover for absent positions with their unpaid work. The preschool managers were all asked how they dealt with staff shortages due to short or long-term illness. The practices vary somewhat between Stockholm and Östersund. In the Kista ward of Stockholm they use a staffing company for temporary absence, something the municipal preschool manager Anki Janarv Sahlin calls a “gamble”. She estimates that in 50% of the cases they get people who are totally unqualified and almost never anyone with any education in the field. She has therefore arranged a list of names of people to call herself, mostly students and young people looking for part time jobs. They are not any more formally qualified but at least Janarv-Sahlén knows that they can do the job (Interview 2006-06-01). The municipal preschools in Östersund does not use staffing companies but rely completely on improvised phone lists with names of acquaintances and willing young people. These substitutes almost never have any education in the field, as also noted by their colleagues in Kista and Stockholm. Ewa Edvinsson at the Trollåsen municipal preschool in Östersund stated that the people on the phone list sometimes get a long term substitute arrangement, which means that she together with the staff has to start looking for people to fill their place (Interview 2006-10-17). Maria Börjars-Wiktorsson, another municipal preschool manager in Östersund gives a very similar description. She argues that “I imagine that a municipal of Östersunds size could have some kind of organized staff pool with some
sick arguably preschool are children. cooperatives substantive appears, parents know improvised municipalities’ coordinator” (Interview 2006-10-16). Neither Östersund, nor Stockholm has such a municipal staff pool, which explains the practice with improvised phone lists of uneducated but ready, willing and hopefully able persons.

The practice at parent cooperatives is somewhat similar. The cooperatives also have an improvised phone lists of people to call in cases of illness among the staff. Maria Hedberg, a parent cooperative preschool manager in Östersund, says that short term illnesses often arise with short notice, which can make it difficult for parents to step in as substitute staff, since they have their regular jobs (2006-10-09). Inger Bergvall-Jakobsson, a manager at a smaller parent cooperative in Östersund, relies on parents as substitute staff when members of the regular staff are ill. She characterize this as “Perfect, really good, it is people that the children know well who come here and support when they can” (Interview 2006-10-05). A third parent cooperative manager in Östersund, Agneta Atleström, sometimes phone around for substitute staff from the outside but she normally asks parents to cover for staff when these needs to go away to further their education (Interview 2006-10-03).

The greater resources and the larger body of staff are usually considered among the municipalities’ main advantages compared to other types of childcare. It is often perceived that a larger organization is better equipped to handle shortages of staff due to illness. It appears, however, that both the municipal and parent cooperative preschools lack any substantive organization for this. It seems, in fact, that the parent cooperatives in some cases are somewhat better off in the comparison. They can benefit from parents helping out during sick leaves, parents who are experienced, familiar with the facility and well known by the children. The issue of substitute staff is therefore not an area where service quality is arguably higher at the municipal preschools, in spite of the latter’s greater resources.

Having the parents working at the preschool has another beneficial effect on service quality. A vast majority of the professional caregivers are women, while the work input by the parents is usually evenly distributed between the parents. Thus, children at parent cooperatives are more likely to meet adult men – fathers - at least occasionally, during preschool hours than are children at municipal preschools. A more proportional gender
representation is a highly desired aspect of quality in most welfare service provision and there is no reason to believe that it does not also have beneficial effects on childcare.

The benefits of having familiar parents working continuously in the preschool also encompass the work environment for the staff. Bodil Steen, at the parent cooperative in the Skärholmen ward in Stockholm, especially emphasizes the positive psychosocial environment at her preschool. She compares her present situation with that at the municipal preschool where she used to work. “It [the parent cooperative preschool in Skärholmen] is a wonderful place to work,” she declares: “It is cozier than at the municipal childcare, a better atmosphere, you get closer to the parents”. Steen especially mentions the close bond to the parents, whom she considers friends. She also, however, states that the environment and thereby the service quality at the preschool varies with the set of parents at any given time. This fact makes her draw the conclusion that it might not be the type of provision in itself, but the composition of staff that matters most for the service quality (Interview 2004-01-09). Agneta Atleström, at the parent cooperative Guldkusten in Östersund, adds that sometimes a troubled parent can bring his or her problems into the board of the cooperative, which can make the work more difficult. Atleström concludes, however, that these personal problems exist in every environment and that they have to be accepted. She generally describes the input from the parents as very positive, and the benefits by far exceed the problems that might occur (Interview 2006-10-03).

Service quality is, as seen from above, not an easy thing to put ones finger on. There are a few measurements that might objectively measure quality but it seems that they correlate poorly with the generally positive assessments made from user experiences. This could either mean that the user’s claims of satisfaction are exaggerated or that service quality lies somewhere in between the measurements commonly used to measure it. It is therefore appropriate to look closer at what the different interviewees have to say about service quality from their different perspectives.

Harriet Svalerud, a local politician in Östersund, with child and youth care as her main responsibility in Österund, stresses that the municipal preschools are regularly monitored
and that they have their quality levels controlled every year. In Östersund the municipality collects the results from the different preschools and any failure to maintain the desired service quality is followed up. The findings from the different preschools are compared to the goals set out in the rules and regulation described above. This way the municipality can make sure that they have reached all the goals for any given year. It is, of course, a matter of self evaluation, since the controls of the municipal preschools are performed by the municipal administration.

Both Agneta Rydstedt and Maria Hedberg, at their respective parent cooperatives in Östersund, run a yearly procedure for quality assessment, just as all the other preschool managers there (Pestoff and Strandbrink 2004). The cooperative evaluations and plans for service quality differ inasmuch as both the staff and the parents are involved, rather than only the staff, as the case is with the municipal preschools. This is a clear link between participation and service quality, the fact that users participate both in the provision of the service, which provides them with invaluable insights and also in the quality assessment of the service. It is unclear in what way this affect the service quality but a reasonable assumption would be that the higher level of information would facilitate quality improvement.

Parents are, as already noted, generally very positive regarding the service quality of their childcare. Results from the Parent Study presented earlier showed that parents in general are very pleased with their childcare. An interesting tendency in the parents’ opinions about their preschool is that the staff is generally graded higher than the management. Both the staff and the management receive very high grades in the survey but there is still a clear difference between the two categories (Vamstad 2007A). This could imply that the parents in general are more pleased with the staff than the management but it could also say something about how parents make their estimates of quality in the preschool. Maybe it is easier to grade the often anonymous management lower, especially at the municipal preschools where one manager is responsible for many preschools and sometimes also regular schools. The staff for many parents provides the window to the preschool and as such they are graded more favorably. The grades for the preschools as a whole are also higher than those for the management but about the same as for the staff. This helps us to better estimate the
value of the extremely high level of satisfaction with the childcare. The parents give high grades to the staff who are closest to their child and to the child’s environment as a whole, while the more distant management is considered more critically. The implication of this is that closeness to the users is important in matters of service quality.

To specify these positive sentiments one can exemplify with comments made by a parent with a child in municipal childcare in the Maria-Gamla stan ward. She especially stressed the competence of the staff, as do most positive parents. Staff members are flexible and accept that parents change their children’s attendance hours at the last minute and so on (Pestoff and Strandbrink 2004, p.51). There is, however, also a sense among users that service quality might undergo a negative development. An interviewee with a child attending municipal childcare in the Skärholmen ward expresses concerns about a decline in funding of municipal childcare (Interview 2004-01-19). This is especially interesting since Despina Gramenidis, at the municipal administration in the Skärholmen ward, claims that there has been an increase in funding for municipal childcare in recent years. This can either cast doubt on the user’s assessment of service quality or also establish that funding is not the only determinant of experienced service quality.

9.7 Summary of Chapter Nine

The general conclusion of this chapter is that the third sector providers of childcare are of as good quality as other forms of childcare, it is not a cheap “low cost/low quality” alternative. Several indicators where used to measure service quality in the primary material where the most important ones where the following:

Staff’s education: The material showed that there are comparable levels of education between different types of childcare. Municipal childcare has slightly more academically trained preschool teachers than the non-public alternatives, which is a result that differs from other, larger studies of the subject.

Child per staff ratio: The child per staff ratio is comparable between the different types and it seems to have increased overall since the early 1990’s. The staff at the parent cooperative show the best level of staff density, closely followed by the worker cooperatives and the for-
profit facilities. The staffs at the municipal preschools provide a slightly less positive picture of about their staff density.

*User satisfaction:* Swedish parents seem generally satisfied with their childcare, regardless of organizational type. An interesting finding was, however, that parents that had changed to parent and worker cooperative childcare almost in all instances were more satisfied with their new childcare than with their previous one. Only half of the parents at municipal preschools and as few as a third of the parents at for-profit preschools stated the same.

*Resources:* Municipal preschools belong to a large organization with greater resources than small, single facility preschools in the non-public sector. It seems, however, that there is no greater scarcity of resources at the non-public preschools the third sector alternatives typically benefit from not having to support a large administration or having to provide profit to the owners. The parent cooperatives can also call up an additional work force from among the parents when needed. The different types of childcare had very similar problems with and methods for getting substitute staff when needed.

*Work environment:* Both the physical and psycho-social work environment is better in the non-public preschools than in the municipal and better yet in the third sector than in the for-profit preschools. This tendency is even stronger with the psycho-social work environment than with the physical.

One of the most commonly heard arguments from proponents of homogenous, traditional welfare service provision is that the municipal type of childcare ensures professionalism and a high service quality. This study supports the notion of Swedish childcare being of exceptionally high quality, but not that this characteristic should be confined to the municipal sector of childcare provision. The primary material only hints at such a conclusion in one regard, the municipal services seems to have a slightly higher level of education among its staff. This finding is, however, contrary to available statistics that includes a much wider selection of the childcare sector, which makes it plausible that the primary material findings are due to reasons of selection. With other service quality measurements the
primary material and the official statistics are more in line. The studied preschools of all types have very similar conditions for getting qualified substitute staff in cases of illness with the difference that the parent cooperatives also can rely on parents to step in as knowledgeable, involved and familiar substitutes for staff on sick leave. There is nothing in the findings to suggest that the municipal preschools are any more professional than the parent cooperatives, worker cooperatives or for-profit preschools. Swedish preschools of all types really are schools, not institutionalized babysitters. The preschools put a lot of effort into developing pedagogy and their means to provide a good first phase in the “life-long education” that the Swedish welfare state prides itself of providing it to all citizens. The parent cooperatives studied here are no less professional in doing this, in spite of the fact that they involve non-professionals in the shape of parents in the childcare. They have the same availability of staff training and the same measures of quality assurance. In one case, in Östersund, a local parent cooperative is visited by municipal staffs who want to learn more about how to improve the child’s environment at their municipal facilities and other such areas of expertise (Meeting with Interreg project group 26/10 2006). In general, there are preschools of high and low quality and organizational type is not a deciding factor in determining which are which. A reflection on the subject is, however, that parent cooperatives often are established with a clear pedagogical purpose and with a joint vision between the staff and parents of service quality.
10. Governing welfare: conclusions

This study set out to analyse the democratic and economic challenges to the Swedish welfare state. This was done extensively in chapter four. It is evident from the presented material that the economic and democratic challenges are entwined in each other. To keep the high quality of the universal services economically viable, rationalizations are carried out, rationalizations that typically leads to a significant decrease in political representation. The democratic and economic challenges exist independently, but it is also true that one may lead to the other. The question could therefore alternatively be phrased “how do we address the economic challenges without creating and reinforcing tremendous democratic challenges?”. Focus is for this reason directed to the democratic challenges specifically and how they can be met by compensating for the enervation of representative democracy by other means of political participation, forms of political participation that are not affected by rationalizing and making service provision more efficient. Active participation in provision of the welfare services one uses is one such means of political participation and this study has attempted to explore the potential for such participation in the third sector provision of childcare.

The two specific research questions presented in the first chapter was the following:

1. What are the main challenges to the Swedish welfare state?
2. In what way and to what extent can the third sector influence how such challenges affect the welfare state?

The answer to the first question is that the decreasing level of representation in the Swedish political system is the most significant challenge to the Swedish welfare state. The economic challenges were found to be serious mainly because of how it can motivate political reforms that further undermine the representative democracy and thereby add to the democratic challenges.
The economic challenges to the Swedish welfare state are not necessarily the ones normally perceived. The doomsday prophesies declaring that the Swedish welfare state is impossible are incorrect in two different ways. Firstly, the various hypotheses of why the welfare state has to collapse have in most cases failed or at least remained unsubstantiated. Secondly, the welfare state will not disappear just because some of the practical arrangements are changed. The Swedish welfare state is a set of principles and values, like the principles of universality and equality. The economic challenges mean that the diversity at the service provision level will increase but the real challenge in this lies in governing this diversity in a manner that does not diminish these principles and values.

This study has shown that we can preserve the welfare state by changing it. We need to focus on the desired result of our welfare state and not only on preserving means to achieve them that were designed for the conditions of a past period in history. The Swedish welfare state is a highly successful model for granting a high standard of living to all citizens but even successful models need to be upgraded in order to continue to perform as desired. The values and principles associated with the Swedish welfare state are here shown to exist in the third sector, an aspect which should be taken into account when we decide to perform such an upgrade. Governing welfare is, therefore, to govern the content of the welfare state, not its structure.

Lennart Lundquist was quoted in a previous chapter, saying that the threat to the Swedish democracy lies in the gradual shifting of political institutions away from their intended democratic role to some other role. This is precisely the kind of development that is presented in the chapter on the democratic challenges to the welfare state. The Swedish local democracy has been thinned out beyond recognition but we still put the same faith in our political institutions as we did in the 1950’s. The municipalities have radically reconsidered their role in society through a long series of reforms aiming at raising efficiency and professionalization. These reforms have been motivated by the desire to improve the welfare of the entire population, which is indeed a worthy objective. The problem lies in the role of the municipalities which have been assigned the task of principal actor in the provision of an increasing amount of an ever wider spectrum of welfare services. The municipalities were,
however, never intended to be effective service producers, they were meant to channel the
power of the people in the direction of the political majority. There are plenty of other
organizations that can provide large amounts of high quality, democratically governed
welfare services at an affordable price. It has here been shown that the best non-municipal
service provider to fulfil these criteria is the third sector.

This is the conclusion on what is the best way to address the first research question – a
normative conclusion based on empirical findings. It was, however, stated in the first chapter
that there would be a constructive perspective to the question as well. This perspective leads
to a somewhat different conclusion, namely that it is not feasible to expect that the Swedish
Welfare State can rely on cooperative services as a main provider of services.

It has been shown that users of parent cooperative childcare do have a higher degree of
influence over the welfare services they use in their day-to-day life. They can, in other words,
shape the parts of the welfare state that are the closest to themselves according to their
desires and there exist, for this category of parents, a channel for political influence that is
beside the continuously less representative local government. This established and
illustrated fact suggests that third sector welfare provision has a role to play in meeting the
democratic and economic challenges to the welfare state. The findings are, however, not
entirely unproblematic in this regard. The category of parents that choose cooperative
services is easily defined by a few characteristics; it is not a cross-section of Swedish parents
in general. Users of parent cooperative childcare have higher income and better education
than the average user and they live in families with both parents to a much higher degree.
Especially troublesome is that very few of the users of parent cooperatives have a non-
Swedish background, meaning that those who are the most in need of the excellent social
networks at the parent cooperatives do not come in contact with them.

What are the implications of this? The parent cooperative preschools provide 10-15% of all
preschool childcare in Sweden and given the limiting characteristics of the typical user, this
figure might not be easily expandable⁴⁹. Providing increased influence to 10-15% of all families with children is of course important in itself, given the decline of representative democracy in Sweden. If that figure could be raised to perhaps 20, 30 or 40%, this would be a real case of revitalized democracy. A majority of families with children will, however, for a foreseeable future remain in municipal childcare and in other types of childcare with low levels of active participation. This does not mean that the third sector only can offer means to face the challenges to the welfare state for a minority of Swedish citizens. Decades of experience of openness, communication and co-governance at the cooperative preschools could be injected into the municipal services in an effort to increase democratic influence for all parents with children in preschools. The parent cooperatives have elements that are valuable in the struggle with the challenges to the welfare state and how these are best practiced could be the subject for another study. Considering the fact that only a certain group of parents seems to benefit directly from such elements at cooperative service facilities, it seems that implementation in existing municipal services is the best strategy.

This conclusion, that cooperative principles of participation for practical reasons are best also practiced in non-cooperative services, means of course that the money-saving aspects only have limited effects on the economic challenges to the welfare state. The parent cooperative preschools in most cases had a monthly fee below the ceiling set by the maxtaxa at the time of its introduction. The state therefore didn’t need to subsidize those services; the cost was already low thanks to the unpaid work effort performed by the parents. There is, in other word, a seemingly great potential for cost reduction in user participation. The reason for not emphasizing this effect on the economic challenges to the welfare state here is that there is no sure way of knowing the alternative cost of such user participation. Parents who care for children at their preschool might perhaps work less at their regular job, which creates a zero sum game on the societal level. It is feasible that the unpaid work can add resources and that

⁴⁹ There are, in several countries, a much larger share of the childcare provided by third sector providers, but these are only in part parent cooperatives. Third sector providers can therefore most likely constitute a larger share of childcare in Sweden but this study only supports the theory that parent cooperatives provide more political participation to its users. It is possible that the third sector societies and non-profit organizations are a better alternative than the municipal preschools in this regard but this could not be determined in the present study since this form of childcare is so scarce in Sweden today. The conclusions about third sector providers of childcare are therefore made on the existing providers in Sweden, which are predominantly parent and worker cooperative.
it is not a zero sum game at all, but this will have to be explored further elsewhere. The studied impact of third sector welfare providers to the economic challenges is therefore here limited to the relation between economic hardship, rationalizations and its effects on representative democracy.

The answer to the second question, “In what way and to what extent can the third sector influence how such challenges affect the welfare state?” is already partly answered through the response to question one. The third sector can influence how the challenges affect the welfare state by lending some of its practices to the welfare service providers in the public sector. Which practices and characteristics are so beneficial for facing the challenges to the welfare state? The present study has identified three characteristics that are especially positive:

1. Participation
2. Small scale
3. Independence

These three characteristics are essential enough to bring up independently a little more elaborately:

1. Participation. The higher level of user and worker participation in the third sector service facilities is the most important among the desired characteristics. The active participation is a form of democratic input that to some extent can compensate for the decrease in democratic input through the traditional system for representative democracy. The level of participation has been shown to be higher in the third sector facilities, which are also ahead in related, democratically significant areas such as sharing of information and attentiveness to the needs of groups and individuals.

2. Small scale. The empirical material suggest that the governance of welfare should preserve the autonomy of various service providers, include them in the preparatory work of political reforms, promote cooperative solutions and favor small units rather than large ones.
Cooperative services are more compatible with welfare ethics than for-profit services but the size of the provider seems to matter as well. Large-scale childcare run by multi-facility for-profit enterprises was not included in the empirical study. The only two for-profit preschools studied here had about the same level of user participation as the municipal preschools but had greater leeway in shaping the services according to wishes of users and parents. It is of course possible that this additional flexibility might not exist in a for-profit organization of a size resembling that of the municipal services. There is, in other words, a democratic gain to be made in keeping the units of welfare provision small, regardless of the organizational type. We should perhaps, at this point, remember Kagans differentiation between “chain profit” and “independent profit” childcare provision in America, as presented in Chapter Two (Kagan 1991, p.93).

3. Independence. In some European countries with the corporatist regime type they have systems of governance where the providers as well as the users of childcare participate in the formal political process within their specific field of interest. This is a practice very foreign to Sweden’s social democratic welfare regime, which relies on the information and non-decision-making communication that characterize a service democracy. The decisions concerning childcare are taken by local elected politicians or the growing body of professional bureaucrats in Swedish municipalities. The centralization, professionalization and minimization of the bodies of representative politics at the local level therefore directly affect Swedish childcare, the policies concerning users and providers are decided by a diminishing political elite relying completely on an increasingly hollow representative mandate and a growing cadre of administrators. The present study gives several examples of how the growing distance between the political sphere and the service level has damaged municipal childcare and made the provision of non-public childcare more difficult, the democratic challenges are very real and observable in day-to-day welfare provision. It is also shown, however, that Swedish preschools have a relatively high level of independence. They are controlled by political decisions that they cannot influence but these decisions are usually quite unrestrictive. The preschools can normally shape their services in the way they wish and they have within their powers to find their own ways to involve the users, regardless of organizational type. The examples of problems caused by the centralization of political
power are revealing, but the problems would no doubt have been worse and more common if the political control of the preschools had been more detailed. The relative independence of the preschools is therefore an important democratic institution in Swedish welfare politics, which makes the recent movement towards “homogenization” and “formalization” in the childcare sector all the more troublesome. Diversity should be allowed in the provision of childcare since the freedom to independently develop services adapted to needs of the users and providers is the main, remaining channel for participation in the welfare state.

This study has described a cleavage between welfare traditionalists and welfare reformists that runs through the academic, political and ideological spheres of society. A fundamental difficulty in facing the economic and democratic challenges of the Swedish welfare state is that the welfare reformists have been identified as proponents of liberal styled, for-profit and market oriented welfare services. The cleavage divides those in favor of the public sector from those favoring the private sector, where the word “private” is understood as “for-profit”. This, in turn, means that the cleavage also separates those preferring the Swedish welfare model from those who do not. The cleavage is so deep and wide that there is no place for those who are in favor of the welfare state as well as non-public welfare provision, or even for those who favor both the welfare state and public welfare provision influenced by third sector principles like the cooperative structure for participation. The Swedish childcare sector is an ideological battleground with politically frozen positions. The study of the history of Swedish childcare shows well entrenched in ideological positions, as may be seen in the reactions to suggested reforms and the swift replies to previous governments’ policies in times of shifting political majorities. The empirical material in part three shows how the identification of “private” as for-profit lays the foundation for this problematic political climate. The resistance to for-profit solutions has penetrated the third sector welfare providers of welfare services, which has blocked possible ways to meet the challenges to the welfare state without abandoning its basic principles and morals. The findings from the empirical material shown that there are significant differences between different types of non-public childcare provision with regard to aspects relevant for the democratic and economic challenges to the welfare state. It is also evident, however, that there is little
comprehension of these differences in the general public as well as among the political or even academic spheres of society.

Looking at this problem constructively, one is tempted to question the lassiez-faire policy towards introduction of alternatives in the childcare sector. The present study has revealed considerable differences between different types of childcare with regard to the challenges to the Swedish welfare state. There is reason to take a more active approach to the growing diversity of the Swedish childcare sector; with scrutiny, to evaluate and decide democratically what kind of childcare provision is wanted in the Swedish welfare state. The Swedish policy on diversity is still undeveloped and the challenges to the Swedish welfare state demand that we develop it. The German policy on diversity is, in comparison, much more developed. In Germany, like in several other countries, for-profit facilities are considered non-eligible for public funding. The reasons for this were partly the fact that for-profit facilities can function without public funding but primarily because their principle of subsidiarity favors the alternative the closest to the users. We have chosen another policy in Sweden but the difference between the countries illustrate how different paths are possible.

The analysis shows that it is important to distinguish between different types of childcare since the levels of democratic participation (but not service quality) differ between them. However, the types might also contain discernable variations. Size seems to matter for the level of participation, in all types of childcare. The difference between “chain profit” and “independent profit” seems to be especially noteworthy since it illustrates how large for-profit corporations might have all the limitations of user and worker participation that the municipal services have. The constructive recommendation for Swedish policy makers would therefore be to accept the fact that the service provision is becoming more diverse and instead focus on which kind of diversification is desirable. It can only be hoped that the results of this study will make such a decision easier to make.
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Appendix 1: Question Sheet

Interview questions with English translation

Namn och titel eller funktion
Name and title or function at preschool
År av erfarenhet och år på den nuvarande förskolan
Years of experience and years at present preschool
Professionell bakgrund och tidigare erfarenhet
Professional background and experience from other preschools
Storlek på den nuvarande förskolan
Size of present preschool
Speciell karaktär på förskolan (pedagogi eller annat)
Special characteristics of preschool (pedagogic or other)
Speciella förutsättningar för förskolan, till exempel en stor andel barn med utländsk härkomst
Special conditions for preschool, for instance large proportion of children with a non-swedish background
Tillvägagångsätt för att hantera dessa speciella förutsättningar
Practices for meeting these special conditions
Utbildningsnivå hos personalen
Level of education among staff
Åsikter om mångfald inom barnomsorg
Views on diversity in childcare
Specifika åsikter om andra typer av barnomsorg, om möjligt med rangordning av de olika typerna
Specific views on other types of childcare, if possible with a ranking of the different types
Hur den egna förskolan påverkades av maxtaxan
How the preschool was affected by the maxtaxa, economically and otherwise
Generella åsikter om maxtaxan

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General views about the maxtaxa
Grad av självständighet från kommunen
Level of independence from the municipal
Hur personalen utövar influtande i förskolan, med exempel
_How the staff can influence the preschool, with examples_
Hur föräldrarna utövar influtande i förskolan, med exempel
_How the parents can influence the preschool, with examples_
Ekonomiskt deltagande av föräldrarna, till exempel städning och reperationer på förskolan
_Economic participation by parents, for instance cleaning and repairs at preschool_
Ekonomiskt deltagande av personalen, till exempel arbete på fritiden
_Economic participation by staff, for instance work on own free time_
Socialt deltagande, hur ofta sociala evenemang halls och hur stort deltagandet från föräldrarna är
_Social participation, how often social events are held and how the attendance from the parents is
den fysiska arbetsmiljön är
_How the physical work environment is_
Vilka rutinerna är för att lösa problem med den fysiska arbetsmiljön
_What the routines for solving problems with the physical work environment are_
Hur den psykosociala arbetsmiljön är
_How the psychosocial work environment is_
Vilka rutinerna är för att lösa problem med den psykosociala arbetsmiljön
_What the routines for solving problems with the psychosocial work environment are_
Hur stor sjukfrånvaron är
_How often the staff is absent due to illness_
Hur man finner vikarier för korta perioder (dagar)
_How substitute staff is recruited for shorter periods (days)_
Hur man finner vikarier för längre perioder (veckor och månader)
_How substitute staff is recruited for longer periods (weeks and months)_
Övriga frågor som intervjupersonen vill ta upp (i regel saker som kommits på under tiden mellan bokning och genomförande av intervju)
_Other issues that the interviewee wants to share (often things thought up between the booking of the interview and when it is performed)_
Appendix 2: Survey studies

Survey questions to parents with English translations. All the questions included a blank space where comments could be made.

1. Vilken organisationsform har ditt barns förskola?
   Alternativ: Kommunal, föräldrakooperativ, personalkooperativ, aktiebolag, ideell förening, annan

1. What organizational type is your preschool?
   Alternatives: municipal, parent cooperative, for-profit, non-profit organization, other

2. Varför valde du just denna organisationsform?
   Alternativ: Det var det enda tillgängliga, nära till bostaden, hade lägst kostnad, hade en speciell pedagogik, ville vara mer delaktig, blev anvisad plats av kommunen

2. Why did you choose this organizational type?
   Alternatives: The only available, proximity to home, lowest cost, special pedagogic, wanted more participation, was appointed by the municipality

3. Hur viktigt är det för dig att välja just den organisationsform du valt?
   Alternativ: Från 1 (väldigt oviktigt) till 7 (väldigt viktigt)

3. How important was it for you yo choose your type of childcare?
   Alternatives: From 1 (very unimportant) to 7 (very important)

4. Skulle du vara beredd att betala mer för din barnomsorg ifall den blev mer tillgänglig och av högre kvalité
   Alternativ: Ja/Nej

4. Would you be willing to pay more for your childcare if it would become more available and of better quality?
   Alternatives: Yes/No

5. Hur mycket inflytande över verksamheten vid din förskola anser du att du har?
   Alternativ: Från 1 (mycket litet) till 7 (mycket stort)

5. How much influence over the preschool do you have, in your opinion
   Alternatives: From 1 (very little) to 7 (very much)
6. Skulle du vilja ha mer inflytande?
Alternativ: Ja/Nej
6. Would you like more influence?
Alternatives: Yes/No
Alternativ: Deltar i själva verksamheten i någon grad, deltar på möten med
bestämmanderätt, deltar på möten utan bestämmanderätt, lämnar skriftliga förslag till
personal eller ledning, påverkar personal genom informella samtal till exempel vid hämtning
och lämning, har inget inflytande alls.
7. In which way do you have influence at your preschool, choose any number of alternatives
Alternatives: Participate in the work to some extent, participate at meetings with power to make
decisions, participate at meeting without power to make decisions, make written suggestions to staff or
management, influence staff through informal talks for instance when leaving or picking up child, do
not have any influence
8. Hur mycket insikt i verksamheten anser du att du har?
Alternativ: Från 1 (mycket litet) till 7 (mycket stort)
8. How much insight do you have, in your opinion?
Alternatives: From 1 (very little) to 7 (very much)
9. Skulle du vilja ha mer insikt i verksamheten på din förskola?
Alternativ: Ja/Nej
9. Would you like more insight?
Alternatives: Yes/No
alternativ.
Alternativ: Sitter med på ledningens möten, läser skriftlig information, samtalar informellt
med personal vid exempelvis hämtning och lämning, deltar aktivt i verksamheten, deltar i
sociala aktiviteter, har ingen insyn alls.
10. In which way do you gain insight at your preschool, choose any number of the alternatives
Alternatives: Attend meetings with management, read written information, talk informally with staff
when leaving or picking up child, participate actively in the running of the preschool, participate in
social activities, have no insight
11. Har ni deltagit i någon av följande aktiviteter på er förskola? Kryssa för alla alternativ
som förekommit.
Alternativ: Haft fest av typen julfest eller terminsavslutningsfest etc, haft öppet hus för
föräldrar, haft informationsmöte om viktiga förändringar eller händelser, haft tillfälle då ni
hjälpt till med städning reparation eller dekoration av förskolan, haft insamling av saker som
saknas på förskolan så som leksaker eller saker till uteplats etc.
11. Have you participated in any of the following activities at your preschool? Mark all alternatives
that are relevant
Alternatives: Parties for instance Christmas parties or end of semester parties etc., open house for
parents, information meetings about important changes or events, events when you have helped out
with cleaning or repairs at the preschool, collections of things that are missing for instance toys or
material to the playground
12. Hur ofta förekommer det sociala aktiviteter där personal, barn och föräldrar deltar?
Alternativ: Från 1 (aldrig) till 5 (ofta)
12. How often are there social activities where staff, children and parents participate?
Alternatives: From 1 (never) to 5 (often)

13. Hur nöjd är du med din barnomsorg rent allmänt?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)

13. How pleased are you with your childcare in general?
Alternatives: From 1 (very displeased) to 7 (very pleased)

14. Hur nöjd är du med personalen på din förskola?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)

14. How pleased are you with the staff at your preschool?
Alternatives: From 1 (very displeased) to 7 (very pleased)

15. Hur nöjd är du med ledningen på din förskola?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)

15. How pleased are you with the management at your preschool?
Alternatives: From 1 (very displeased) to 7 (very pleased)

16. Har du tidigare erfarenhet av annan slags barnomsorg?
Alternativ: Ja kommunal barnomsorg, ja föräldrakooperativ barnomsorg, ja personalkooperativ barnomsorg, ja familjedaghem, ja barnomsorg driven som aktiebolag, ja barnomsorg driven av ideell förening, nej

17. Do you have previous experience from another type of childcare?
Alternatives: Yes municipal childcare, yes parent cooperative childcare, yes worker cooperative childcare, yes professional childcare in private home, yes for-profit childcare, yes childcare run by non-profit organization, no

17. Are you more pleased now than with your previous type of childcare?
Alternatives: Yes/No

For att bättre kunna tolka era svar behöver vi ha en del personliga uppgifter från er i fråga 18-22.

In order to better interpret your answers will we need some personal information from you for questions 18-22

18. Är ni: ensamstående / sammanboende
18. Are you: living alone/ living with other

19. Vad är er högsta utbildningsnivå?

Parent 1
Grundskola
Gymnasieutbildning
Universitet/högskoleutbildning

Parent 2
Grundskola
Gymnasieutbildning
Universitet/Högskoleutbildning

19. What is your highest level of education?

Förälder 1
Elementary school
High school
University/college

Förälder 2
Elementary school
High School
University/college

20. Hur ser er yrkessituation ut? Ringa in de alternativ som stämmer in, ett eller flera

Förälder 1
Offentliganställd
Tjänsteman
Anställd i serviceyrke
Anställd i produktion

Förälder 2
Offentliganställd
Tjänsteman
Anställd i serviceyrke
Anställd i produktion
Egen företagare  Egen företagare
Arbetslös  Arbetslös
Studerande  Studerande

20. What is your work life situation? Mark one or several of the following

Parent 1  Parent 2
Employed by public sector  Employed by public sector
Official  Official
Employed in service profession  Employed in service profession
Employed in production  Employed in production
Self employed  Self employed
Unemployed  Unemployed
Student  Student

21. How large is the total income of your household per month, before taxes

Alternatives: Less than 15 000, 15 000-30 000, 30 000-45 000, 45 000-60 000, 60 000- upwards, wish not to submit answer

22. Who answered this survey?

Alternatives: Mother, father, both together

Survey questions to staff with English translations. All the questions included a blank space where comments could be made.

1. What organizational type does the preschool you work at have?
   Alternatives: Municipal, parents cooperative, worker cooperative, for-profit, non-profit organization, other

2. Did you do an active choice to work at a preschool of the specific type that your preschool is?
   Alternatives: Yes/No

3. How important is it to that your employer belongs to this type?
   Alternatives: From 1 (very unimportant) to (very important)

4. How important do you think that the different types of organizational forms are in Swedish childcare?
Alternativ: Från 1 (mycket oviktigt) till 7 (mycket viktigt)
4. How important do you think it is that there are different types of childcare in Sweden?
Alternatives: From 1 (very unimportant) to (very important)
   Kommunal barnomsorg 1 2 3 4 5
   Föräldrakooperativ barnomsorg 1 2 3 4 5
   Personalkooperativ barnomsorg 1 2 3 4 5
   Barnomsorg i aktiebolag 1 2 3 4 5
   Barnomsorg i ideell förening 1 2 3 4 5
   Familjebarnomsorg 1 2 3 4 5
5. Which types of childcare do you think are appropriate? Grade the different types from one to five
   Municipal childcare 1 2 3 4 5
   Parent cooperative childcare 1 2 3 4 5
   Worker cooperative childcare 1 2 3 4 5
   For-profit childcare 1 2 3 4 5
   Childcare in non-profit organization 1 2 3 4 5
   Professional childcare in private home 1 2 3 4 5
6. Vad är din allmänna åsikt till maxtaxan?
   Alternativ: Från 1 (mycket dålig) till 7 (mycket bra)
6. What is your general opinion about the maxtaxa?
   Alternatives: From 1 (very bad) to 7 (very good)
7. Hur har maxtaxan påverkat din arbetssituation?
   Alternativ: Från 1 (mycket negativt) till 7 (mycket postivt)
7. How did the maxtaxa affect your work?
   Alternatives: From 1 (very negative) to 7 (very positive)
8. Hur mycket inflytande över situationen på din arbetsplats upplever du att du har?
   Alternativ: Från 1 (mycket litet) till 7 (mycket stort)
8. How much influence over the situation at your workplace do you have, in your opinion?
   Alternatives: From 1 (very little) to 7 (very much)
9. Skulle du vilja ha mer inflytande?
   Alternativ: Ja/Nej
9. Would you like more influence?
   Alternatives: Yes/No
10. Hur mycket inflytande anser du att föräldrarna har på din förskola?
    Alternativ: Från 1 (mycket litet) till 7 (mycket stort)
10. How much influence does the parents have at your preschool, in your opinion?
    Alternatives: From 1 (very little) to 7 (very much)
11. Anser du att föräldrarna bör ha mer inflytande än idag?
    Alternativ: Ja/Nej
11. Do you think that the parents should have more influence?
    Alternatives: Yes/No
12. Påverkas din lön av förskolans resultat?
Alternativ: Ja/Nej
12. Is your salary affected by the preschool’s results?
Alternatives: Yes/No

13. Händer det att du utför tjänster åt förskolan på obetalda tid, att du exempelvis gör mindre inköp och andra ärenden på din fritid?
Alternativ: Från 1 (nej, aldrig) till 5 (ja, mycket ofta)
13. Do you ever perform services for the preschool on your spare time, for instance minor purchases?
Alternatives: From 1 (no, never) to 5 (yes, very often)

14. Deltar du/ni i sociala aktiviteter tillsammans med föräldrar och barn?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)
14. Do you participate in social activities together with parents and children?
Alternatives: From 1 (very displeased) to 7 (very pleased)

15. Hur nöjd är du med din arbetsplats rent generellt?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)
15. How pleased are you with your work place in general?
Alternatives: From 1 (very displeased) to 7 (very pleased)

17. Hur nöjd är du med relationen till föräldrarna?
Alternativ: Från 1 (mycket missnöjd) till 7 (mycket nöjd)
17. How pleased are you with the relation towards the parents?
Alternatives: From 1 (very displeased) to 7 (very pleased)

18. Vad anser du om personaltätheten på din förskola?
Alternativ: Från 1 (mycket dålig) till 7 (mycket dålig)
18. What is your opinion about the density of staff at your preschool?
Alternatives: From 1 (very bad) to 7 (very good)

19. Hur bedömer du möjligheten att bli ersatt vid sjukfriivaros?
Alternativ: Från 1 (mycket dålig) till 7 (mycket dålig)
19. What is your estimate of the possibility to be replaced in case of illness?
Alternatives: From 1 (very bad) to 7 (very good)

20. Vad har du för utbildning?
Alternativ: Förskollärarutbildning, annan universitet/högskoleutbildning, gymnasieutbildning inom området, annan gymnasieutbildning, grundskoleutbildning
20. What is your education?
Alternatives: Academic preschool teacher’s degree, other university/college education, high school education within the field, other high school degree, elementary school

21. Hur bedömer du dina möjligheter till vidareutbildning hos din nuvarande arbetsgivare?
Alternativ: Från 1 (mycket dålig) till 7 (mycket dålig)

21. What is your estimate of your chances to further your education with your present employer?

Alternatives: From 1 (very bad) to 7 (very good)

22. Hur bedömer du den fysiska arbetsmiljön?

Alternativ: Från 1 (mycket dålig) till 7 (mycket dålig)

22. What is your estimate of the physical work environment?

Alternatives: From 1 (very bad) to 7 (very good)

23. Hur bedömer du den psykosociala arbetsmiljön?

Alternativ: Från 1 (mycket dålig) till 7 (mycket dålig)

23. What is your estimate of the psychosocial work environment?

Alternatives: From 1 (very bad) to 7 (very good)


24. What has not been brought up? Here you can write down your opinions about the questions or develop answers that you have given in the previous questions