

and placed the issue in the hands of a public wage board. The board awarded increases averaging about 3 percent, this amounted to something less than full compensation for the rise in the cost of living in terms of wage rates, as distinct from earnings.

In the overall view, the formulation and administration of Norwegian wage policy has been a complex mixture of central and separate negotiations, direct and indirect governmental participation, voluntary agreements and compulsory arbitration. Yet, by and large, the efforts to coordinate wage decisions with national economic policy have been reasonably, if not completely, successful.

Sweden

Whereas central coordination of wage policy in the Netherlands and Norway has been consistently, if imperfectly, pursued over the years since the war, the efforts in the same direction in Sweden and the United Kingdom have been only temporarily and intermittently effective. During the period 1948-50 the Governments in both countries sought to achieve price stabilization through programs in which the self-imposed wage restraint of the trade unions was an essential element, but with only partial and short-lived effects.

National wage bargaining in Sweden has been complicated by the existence of two federations of national unions. The largest of these—the Confederation of Swedish Trade Unions (LO)—is made up of 44 affiliated national unions whose membership of 1,400,000 comprises almost the whole of the manual labor force. The Central Organization of White Collar Workers (TCO) is considerably smaller (350,000 members in 42 affiliated unions) but represents about 75 percent of all salaried employees. As in Norway, both the principal labor and employer federations are highly centralized organizations, able, within limits, to see to it that the terms of any centrally regulated settlements are incorporated into the contracts between their constituent organizations. However, the existence of the separate organization for white-collar workers (which itself is less centralized) and the fact that the national unions in Sweden are somewhat stronger organizations with a tradition of greater independence, has made the task of achieving unity in union policy and action somewhat more difficult and uncertain.

Within the Swedish LO, however, the principal worker "solidarity" has been a strong influence (again as in Norway) favoring coordination of union policy. The political affiliation of the LO with the Swedish Social Democratic Party is also a close one. But that party, although it has controlled the Government since 1932 either alone or as a dominant member of a coalition, has never attained an absolute parliamentary majority. The consequent necessity for political compromise is perhaps part of the reason for the lesser emphasis placed upon national economic budgeting as a means of obtaining a high degree of coordination in national economic policy. With a greater decentralization of power in collective-bargaining institutions and not so much weight placed upon formal mechanisms of economic planning, it is not surprising that Swedish wage policy has lacked the degree of continuity discernible in the Netherlands and Norway.

The first postwar experiment with a national policy of "wage restraint" in Sweden was begun in 1948 when the Government appealed to both unions and management for a halt to wage increases and