Industrial action in Sweden - a new pattern?

Henrik Lindberg*

*henrik.lindberg@ratio.se, The Ratio Institute, P.O. Box 3203, SE-103 64 Stockholm, Sweden
Abstract
The paper studies the modern conflict patterns and conflict dimensions in Sweden 1993-2005. The aim is to trace and interpret the new patterns and dimensions of labour market conflict by collecting and compiling strike data from the National Conciliation Office, (1993-99) and the National Mediation Office (2000-2005). On the whole, strike activity has decreased steadily from the 1980s and onwards and in large parts of the Swedish labour market conflicts are very rare. A few small unions organising primarily non-manufacturing working class in the domestic sector, account for the majority of the sanctioned conflicts. The new pattern is that the remaining conflicts in broad terms can be divided in two parts: conflicts over wages and other working conditions and conflicts about the collective bargaining itself. Each with its own logic.

Keywords: Labour market, conflict, strike, secondary strike, blockade, Sweden, collective bargaining, strike patterns

JEL: J52
Introduction

Why should we even bother to examine the strike patterns at the labour market? Isn’t it a fact that the number of conflicts and working days lost has declined sharply, both in Sweden and in other industrialized countries since the 1970s and 1980s? By and large industrial relations researchers have focused on aggregate or average data in order to measure strike activity or trace strike patterns. This paper does, however, not fit in that box. Nor is it a contribution to the long and ever-lasting debate about whether convergence or divergence is the dominating trend concerning strike patterns. (Shalev 1992, Edwards & Hyman 1994, Aligisakis 1997, Piazza 2005, Beardsmore 2006 and Perry & Wilson 2008)

Instead this paper traces new patterns, trends and foremost dimensions of labour market conflicts. The aim is to interpret the new (low) conflict pattern in Sweden during the last decades. The empirical results indicate that the sectoral distribution of conflict as well as the causes of conflict has changed dramatically. The labour market conflicts tend to be highly concentrated to a few unions. The next step in the analysis is to search for causes of the conflict patterns and if this indicates new conflict dimensions in the labour market.

Considering the theories and perspectives that can explain the strike patterns, this paper will focus on the new logic in strikes and other forms of industrial action. The emerging strike pattern is seen as a result of globalization, increasing competition and the integrated production but also on the institutional conditions, more specifically the conflict rules that determine the scope for industrial conflict.

This paper examine the available data on conflicts and strike activity on some standard but also some non-standard measures and therefore use primary sources. The standard measures are, by year, the number of conflicts and the number of days not worked. (or days lost) The non-standard measures are the classification of conflicts depending on the nature and causes of the conflict and the organizations involved. Detailed data concerning the strike pattern in Sweden has been collected and compiled for all labour disputes 1993-
This is 13 years when structural economic changes as well as new rules and legislative framework (the EU-membership 1995) have restructured the Swedish labour market (Nyström 2002).

In the paper I will stress the multi-dimensional nature of the phenomenon, which is often called ”strike pattern” or “strike activity”, As Bordogna & Prima Cella (2002) mentioned: “it is obvious that the strike cannot be taken to encompass every form of industrial conflict”. On the contrary, in the new emerging conflict pattern in Sweden the blockades and sympathy actions (secondary strikes) are at least as common as strikes and no marginal phenomenon.

**Explaining the strike pattern – two types of conflict**

To explain labour disputes several factors has been tested. A distinction has been between economic and political factors and such phenomenon as unemployment, business cycles, technological change, globalization, political radicalization and union organizing have been investigated, but without consensus. (Thörnqvist 1994). This paper identifies two major causes of conflicts nowadays, conflicts over wages and other working conditions and conflicts about the collective bargaining itself. The logic of these conflicts differs because in the first case it affects parties both of which belong to the collective bargaining system. In the second case, one of the parties, the employer, is outside the collective bargaining system (Moberg 2006, Karlson & Lindberg 2008).

**Conflicts of wages and working conditions**

A starting point for the study is that the conflicts in the labour market can be seen as a rational act of profit-maximizing actors (parties) in the context of a network of laws and rules – the institutional environment (Scheuer 2004). The players have incomplete, but often enough knowledge of the prevailing rules and other relevant conditions. This ana-

---

1 Data was collected from the Statens Förlikningsmannaexpedition, National Conciliation Office, (1993-99) and Medlingsinstitutet, National Mediation Office, (2000-05). I especially would like to thank to Hanna Metsis for assistance with the collection of these data. This material is not used in previous research. In comparison with the statistics that the National Mediation Office publishes in their yearbooks, this paper gives additional information on the conflicts in Sweden 1993-2005. In contrast to the Mediation Institute, all labour disputes, ie. all industrial action such as strikes, lockouts, blockades, wildcat strikes and other industrial action, has been included in tables and graphs.
yses focus on changing conditions in the economy, which in turn affect the efficiency of strikes and the power relations between the parties. There is an economic logic in all aspects of the strike pattern; the type of conflict, the causes of the conflict and who gets involved in labour market conflicts. This model is consistent with the "power resource approach" to union strategies. Industrial action function is primarily to push the other party to the concessions that you provide economic benefits of a final position of strength (Åmark 1989; Åmark 1993).

Workers structural power results from the location of workers within the economic system. You can divide structural power into marketplace bargaining power and workplace bargaining power. The latter concept has been elaborated by Silver (2003) and is connected to workers who in tightly integrated production processes, where a localized work stoppage in key nodes cause disruptions. (Perrone 1984) Such workers have the highest positional power or disruptive potential and can therefore benefit from that position in case of conflicts.

At the same time, strike data may be interpreted in opposite ways. A low propensity to strike or engage in other forms of industrial action may be a consequence of low labor power, but also of high labor power, if the sheer threat of a strike leads employers to give up. And of course vice versa is also the case. (Bacarro – Howell 2011) So the question of how to explain and interpret strike data is not simple. In this paper the explanations of the strike patterns rests on the assumption that globalization shifts power resources towards employers, but this shift is to some extent neutralized by shifting producing concepts that gives some workers larger power resources.

**Conflicts of collective bargaining as such**

Disputes concerning the wages and benefits of all sorts are traditionally the biggest source of conflict at the Swedish labour market, according to Thörnqvist 1994, but to explain the modern conflict pattern this is not enough. A fundamental aim for trade unions in Sweden, both historically and in today, have been to increase bargaining coverage in order to restrict competition between the workers – but also between employers. (Åmark 1993). The strategy has been to prevent competition from unorganized workers and ex-
tend bargaining coverage to such non-unionized workplaces, through conflicts. Employers who do not want to join employers' associations are thus included in the system through an application agreement. It signifies, essentially, that in each case the employer undertakes to apply the collective agreement envisaged in the application agreement, usually the sectoral agreement covering a particular branch of activity. These types of conflict between non-organized companies and trade unions aim for higher bargaining coverage, which in return should help the unions to maintain wages and other working conditions.

**Globalization and changing production conditions**

To explain the strike pattern, several approaches have been used. On the one hand there are those that focus on economic factors and on the other hand those who focus on political factors. Within these, factors such as unemployment, business cycles, technological change, globalization, political radicalization and union organizing has been tested – but no consensus has been established (Thörnqvist 1994).

In recent years, globalization has become an increasingly important aspect in strike research. One hypothesis is that globalization would reduce the propensity to strike. Globalization is hereby defined as a process of closer integration of economies and societies, for example the exchange of goods and services, often measured by export and import share and foreign direct investment. First and foremost, with the increasing competition at the international markets, profit margins tend to fall and this make cost reductions necessary. When competition was limited and primarily between domestic companies they were more likely to accept the employees' demands. All extra (wage-related) costs could be met by price increases, which shift the costs to consumers or to the taxpayers. Those employers that face stiff competition must deal with cost increases with the risk of jeopardizing the competitiveness. This provides incentives to be tougher in the bargaining phase and it also reduces workers willingness to take a conflict (Moberg 2006, Traxler, Blaschke and Kittel 2001).

In addition, globalization may offer more opportunities to outsource production or other activities in countries with lower costs, which would put wages and working condi-
tions under pressure in countries with higher costs (Piazza 2005; Scheuer 2006). These factors may lead to reduced strength for unions which reduce their ability to use strikes as weapons. Labour conflicts and therefore unions lose in strength at the expense of business interests. Statistics from the OECD area also shows how conflicts and conflict-volume is falling sharply in most countries (Thörnqvist 1994; Karlson, Lindberg and Salabasis 2005, Scheuer 2006).

To some extent globalization has probably undermined the power of the unions and blunted the strikes (Scheuer 2006). This process may, however, have different effects in different countries depending on the institutional setup, primarily the conflict rules (Western, 1997; Wallerstein and Western 2000). For example, the dismantling of the centralized bargaining system in the Nordic countries will rather increase the possibility of labour disputes than decrease, since more will negotiate and potential for secondary strikes will grow. Some studies also suggest that when coordination in the bargaining system decreases, labour conflicts may increase in scope (Aidt & Tzannatos 2002).

Changing production conditions is another factor that may influence the relative strengths between the parties. Among the features of this new production concept, often called "flexible specialization", and Just in Time (JIT). Outsourcing enables owner to focus on core business and in this process the need for competitive subcontractors grow (Storper and Scott 1986; Gertler 1992; Maskell and Malmberg 1999).

The new production conditions and strategies are often considered to hamper the unions' ability to assert their rights and pursue their wage demands. But this is partly also a result of growing labour market segmentation. The core of the labour force (insiders) can bargain and achieve high wages and high employment protection, while the periphery (outsiders), often young people and immigrants, or temporary employers are stuck with poor working conditions and little protection (Kjellberg 2003; Åkerman 2003). With this growing segmentation between different groups of workers, the trade unions should have more difficulties in representing all groups. In addition, the temporary staff is more seldom unionized, which also affects the trade union's ability to represent their interests.

On the other hand: the dependence of companies to punctually deliver components, service and other necessities in the production chain make the whole system vulnerable to interference. Minimum delay or disruption may cause harm to all companies in the chain.
Such employees, often specialised and non-replaceable can put pressure on employers, rather than vice versa. (Coleman and Jennings 1998; Herod 2000).

This means that rather limited industrial action in some cases can have major consequences. Some activities have become so technically and administrative complex that they become more vulnerable to conflict, with a relatively limited industrial action can affect an entire production chain. The welding of the companies, where one company's finished product becomes the second company's input, means that a relatively small number of strikes or blockades can paralyze major production units or at least cause prohibitive costs (Nyström 1997; Moberg 2006). Another factor of importance is the position and strength in which workers with a kind of monopoly position in terms of knowledge or skills, which also work in industries where employers are vulnerable to industrial action, may have more incentive to strike (Cohn 1993).

Labour conflicts in Sweden in the 1900s

The conflicts at the Swedish labour market between workers and employers have been fluctuating. Strike incidence peaked in the years after the turn of the century, after having risen during the 1800s culminating decades. An extreme peak was reached after the First World War and another strike wave swept across Sweden after the Second World War. The last peak occurred during the late 1970s. In between strike activity has been lower and the 1950s and 1960s as well as the 1990s, have been characterized by very few registered conflicts between the parties. The conflicts have, according to official statistics, remained at a historically low level during the investigated period 1993-2005 as is evident from Diagram 1.
The majority of labour disputes have been strikes, while a few were lockouts, including the great lockout 1980 and to some extent the great strike of 1909. This should be due to the effectiveness of the strike and lockout. The unions want as few workers as possible on strike, preferably a few key employees whose absence hurt employers as much as possible. Employers, on the other hand, try to make the conflict as expensive as possible for workers and the lockout is therefore a massive weapon (Lundh 2002). The total number of working days lost has a few very high peaks. Two of these took place in the post-war era. The first occurred shortly after the end of the World War 2, the so-called Metal strike in 1945, and the other was great lockout 1980.

The distribution of conflict on trade union affiliation and causes of conflicts reveal a clear pattern in the 1970s and the 1980s. The LO-affiliated unions were much more conflict-prone than civil servants and professional unions. Among the LO-affiliated unions strikes occurred mainly among workers in the Metal, Factory and Woodworkers' Association. If the unions are ranked after strikes/member; in addition to the three the Miners
Association also places high. A special case is the independent, non-affiliated Dock-workers Union with its very high strike rate.

The conflicts 1975-89 concerned mostly wage-issues and related topics. These conflicts alone accounted for nearly three quarters of the strikes that occurred. The second most common cause of a strike, 8 per cent, related to work organization, management and termination of which include, among others, the strikes that erupted when the employer didn’t want to sign a collective agreement. Other strike causes had much lower percentages (Thörnqvist 1994).

**Conflicts at the labour market 1993-2005**

The period 1993-2005 has not been studied before in Swedish strike research, except for Thörnqvist (2000) who pointed out that the conflict level and the intensity was declining in the early 1990s and remained at historically low levels in Sweden at the end of the 1990s. The pattern for the years 1993-2005, see Diagram 1, is however not entirely straightforward. One of the years, 1995, is characterized by numerous and long-standing conflicts. But the main part of these disputes – over half – was linked to Toys "R" Us and the long conflict that summer. However, the official statistics does not show other conflicts than strikes and lockouts and that means that an important part of the new patterns of conflict are not visible there. Table 1 therefore gives a more accurate impression of the industrial action in Sweden and is also based on primary sources. Single years such as 1995 and to some extent 2005 and 1993, had substantially more conflicts than the other. It is interesting to note that of overall conflicts, the amount of strikes and lockouts were only slightly more than one third. The rest of the conflicts were of other types, which I will come back to later.

---

2 Toys "R" Us was a U.S. multi-national toy company that refused to sign a Swedish collective agreement with Swedish unions. Therefore the company was subjected to extensive industrial action, foremost secondary strikes. Compared to the other years 1993-2005, the Toys "R" Us-conflict was unusually fierce and protracted. It ended after a couple of months when Toys' R 'Us gave way and signed the agreement.
Table 1. Number of conflicts at the Swedish labour market 1993–2005.

<table>
<thead>
<tr>
<th>Year</th>
<th>Strike</th>
<th>Lockout</th>
<th>Wild-cat strike</th>
<th>Blockade</th>
<th>Other</th>
<th>Total</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1993</td>
<td>17</td>
<td>9</td>
<td>8</td>
<td>11</td>
<td>0</td>
<td>45</td>
<td>12</td>
</tr>
<tr>
<td>1994</td>
<td>8</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>0</td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>1995</td>
<td>17</td>
<td>6</td>
<td>19</td>
<td>37</td>
<td>0</td>
<td>79</td>
<td>22</td>
</tr>
<tr>
<td>1996</td>
<td>3</td>
<td>1</td>
<td>5</td>
<td>11</td>
<td>0</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>1997</td>
<td>5</td>
<td>3</td>
<td>6</td>
<td>5</td>
<td>1</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>1998</td>
<td>4</td>
<td>2</td>
<td>7</td>
<td>6</td>
<td>0</td>
<td>19</td>
<td>5</td>
</tr>
<tr>
<td>1999</td>
<td>10</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>0</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td>2000</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>2001</td>
<td>15</td>
<td>2</td>
<td>6</td>
<td>4</td>
<td>1</td>
<td>28</td>
<td>8</td>
</tr>
<tr>
<td>2002</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>14</td>
<td>1</td>
<td>27</td>
<td>7</td>
</tr>
<tr>
<td>2003</td>
<td>10</td>
<td>2</td>
<td>0</td>
<td>6</td>
<td>3</td>
<td>21</td>
<td>6</td>
</tr>
<tr>
<td>2004</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>12</td>
<td>3</td>
<td>25</td>
<td>7</td>
</tr>
<tr>
<td>2005</td>
<td>11</td>
<td>1</td>
<td>2</td>
<td>30</td>
<td>3</td>
<td>47</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td>111</td>
<td>32</td>
<td>68</td>
<td>144</td>
<td>12</td>
<td>367</td>
<td>100</td>
</tr>
</tbody>
</table>


**Which union and which organisations?**

A recurrent pattern strike research is that the blue-collar unions, in Sweden LO-affiliated workers, have had higher strike prone than other groups and in the LO has The Metal-workers Union has been more conflict-prone (Thörnqvist 1994). The established international literature and empirical studies based on Swedish data, have shown that the most conflict-prone unions and professional groups would be workers at the port, in mining and in forestry, but that a shift in the post-war occurred in the direction of the engineering industry, (Shalev 1980; Mikkelsen 1992; Thörnqvist 1994).
Table 2. Union affiliation and conflicts 1993-2005.

<table>
<thead>
<tr>
<th>Förbund</th>
<th>Conflicts</th>
<th>ratio percent</th>
<th>mean members</th>
<th>Conflicts/100.000 memb.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Org of the Workers of Sweden (SAC)</td>
<td>56</td>
<td>15,3</td>
<td>9000</td>
<td>622,2</td>
</tr>
<tr>
<td>Swedish Dockworkers Union</td>
<td>9</td>
<td>2,5</td>
<td>2000</td>
<td>450</td>
</tr>
<tr>
<td>Swedish Electricians' Union (SEF)</td>
<td>38</td>
<td>10,4</td>
<td>28000</td>
<td>135,7</td>
</tr>
<tr>
<td>Swedish Painter's Union</td>
<td>23</td>
<td>6,3</td>
<td>20000</td>
<td>116,9</td>
</tr>
<tr>
<td>Swedish Transport Worker's Union</td>
<td>28</td>
<td>7,6</td>
<td>71000</td>
<td>39,3</td>
</tr>
<tr>
<td>Swedish Building Workers’ Union</td>
<td>34</td>
<td>9,3</td>
<td>138000</td>
<td>24,6</td>
</tr>
<tr>
<td>Commercial Employees’ Union</td>
<td>12</td>
<td>3,3</td>
<td>174000</td>
<td>6,9</td>
</tr>
<tr>
<td>Swedish Metalworkers' Union</td>
<td>13</td>
<td>3,5</td>
<td>410000</td>
<td>3,2</td>
</tr>
<tr>
<td>Swedish Municipal Workers’ Union</td>
<td>8</td>
<td>2,2</td>
<td>615000</td>
<td>1,3</td>
</tr>
<tr>
<td>Others</td>
<td>61</td>
<td>16,6</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td>Unknown, not sanctioned</td>
<td>85</td>
<td>23,2</td>
<td>x</td>
<td>x</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>367</strong></td>
<td><strong>100</strong></td>
<td><strong>3803000</strong></td>
<td><strong>9,6</strong></td>
</tr>
</tbody>
</table>

Anm. The group unknown includes wildcat strikes, which by nature cannot be attached to any trade union.


This, however, is not confirmed in the present study, which is indicated in Table 2. Out of the total 367 conflicts 85 cannot be connected with any individual trade unions, often due to the fact that it was wild cat strikes. Among the other 282 conflicts six individual unions was involved in 188 conflicts, which is a broad majority. These six vastly over-represented unions are hereby called “high conflict unions” in the text and tables. Four of these are affiliated to LO (SEF, Swedish Painter's Union, Swedish Transport Worker's Union and Swedish Building Workers’ Union) while the other two are non-affiliated. (Swedish Dockworkers Union and the syndicalist SAC).

Most of the unions with many conflicts have few members. If unions are ranked in order of conflict frequency per member, two of the smallest unions in the LO family place rank among the highest together with the small syndicalist SAC and the miniscule Swedish Dockworkers Union. Among those unions with really low levels, there are many of the larger LO and TCO-affiliated unions. Most of the high conflict unions have increased their relative share of the total conflicts during the later years.

The high conflict unions preferably organize privately employed male working class, in the domestic sector. Transport, construction and electricity services are such industries protected from foreign competition, so far, and they do not face stiff domestic competition either. These industries have had extensive regulations, almost corporatist elements, protecting them from competition and combined union and business interests have often influenced politicians to keep or strengthen these regulations (Lindberg 2008).
**Which conflict weapons are used and what are the causes?**

The issue of weapons used in labour conflicts is seldom studied. Regardless of the sources available, this aspect is difficult to compare since blockades, for example, are not counted in either the National Mediation Office published statistics or the Thörnqvist (2000) study. The data presented here are based on a study of the press notices and other documents that have been preserved.

Some trends between 1993 and 2005 can be noted. First and foremost, it seems that lock-outs and wildcat strikes have declined in importance while the blockades are more common, primarily during the 2000s. Could and should this be related to changing production conditions and/or institutional conditions? Before we proceed to the question, there is reason to scrutinize the distribution of blockades respective traditional strikes by the employees.

**Table 3.** Conflicts and causes in Sweden (separated in six “high conflict unions”, the rest and others) 1993-2005.

<table>
<thead>
<tr>
<th>Cause of conflict</th>
<th>High number</th>
<th>High %</th>
<th>The rest number</th>
<th>The rest %</th>
<th>Others number</th>
<th>Others %</th>
<th>Total (antal)</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collective bargaining</td>
<td>64</td>
<td>17,4</td>
<td>21</td>
<td>5,7</td>
<td>1</td>
<td>0,3</td>
<td>86</td>
<td>23,4</td>
</tr>
<tr>
<td>Secondary action</td>
<td>24</td>
<td>6,5</td>
<td>38</td>
<td>10,4</td>
<td>0</td>
<td>0,0</td>
<td>62</td>
<td>16,9</td>
</tr>
<tr>
<td>Wages, and related issues</td>
<td>67</td>
<td>18,3</td>
<td>41</td>
<td>11,2</td>
<td>27</td>
<td>7,4</td>
<td>135</td>
<td>36,9</td>
</tr>
<tr>
<td>Other (personnel, employment)</td>
<td>32</td>
<td>8,7</td>
<td>13</td>
<td>3,5</td>
<td>26</td>
<td>7,1</td>
<td>71</td>
<td>19,3</td>
</tr>
<tr>
<td>Unknown</td>
<td>1</td>
<td>0,3</td>
<td>5</td>
<td>1,4</td>
<td>7</td>
<td>1,9</td>
<td>13</td>
<td>3,6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>188</strong></td>
<td><strong>51,2</strong></td>
<td><strong>118</strong></td>
<td><strong>32,2</strong></td>
<td><strong>61</strong></td>
<td><strong>16,6</strong></td>
<td><strong>367</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>


It seems that the high conflict unions are heavily over-represented in conflicts overall and most notably those concerning collective bargaining. The Building Workers Union, the Painters' Union and SEF have almost two-thirds or 56 of the 86 conflicts. Secondary strikes make for a substantial part but they are concentrated in time, three years stand out:
1995 and 2004-5. Secondary strikes were in most cases used to persuade companies to sign a collective agreement.

The difference between the high conflict unions and the rest is apparent. High-conflict unions represent more than half of the total conflicts and the difference is also increasing over the period 1993-2005. If the trend continues, then a few unions have conflicts regularly while they turn out to be more and more rare for the vast majority of workers and unions. This concentrated pattern with divergent causes is something that we have not previously experienced in Sweden.

Conclusions and explanations

The number of conflicts seems to have declined substantially during the 1990s and they are at historically low levels. But this does not mean that labour disputes will be unexciting to study. What we can trace is a fundamental change in conflict pattern that takes place in Sweden. Most conflicts nowadays and since the 1990s are linked to a few small unions while the vast majority have become much less conflict-prone. Blockade popularity has grown, while strikes and lockouts have gone to the opposite direction. Finally, the issues that the parties fight for is no longer predominantly wage and salary conditions. Such conflicts are more uncommon but conflicts about collective bargaining as such become or sympathy actions in favour of another union are on the rise.

*The new type of conflicts concerning collective bargaining*

The Swedish collective bargaining model is a partially unique system in a European context. The collective agreements play a crucial role in the relationship between employer and employee. It is the main regulative instrument at the Swedish labour market. Collective agreement is broader than just include wages and benefits, it can also cover working conditions, and employment conditions. Thanks to the strength of the collective agreements, Sweden has no minimum wage legislation, as many Anglo-Saxon countries have, and no extension mechanism, as in many continental European countries. So, the Swedish model is based on a high bargaining coverage ratio in order to standardize wages and employment conditions. Otherwise the unions fear that employees outside the collective bargaining system will accept lower wages and worse employment conditions with in the
long run also will affect those employees inside the collective bargaining system (Malmberg 2000).

So, there are motives for unions to try and persuade employers to sign collective agreements and thereby limit the competition at the labour market and prevent a “race to the bottom”. With the existing strike rules in Sweden, which give unions the right to put employers in blockade, despite not having any members at that company and gives unlimited right to sympathy action, these types of conflicts are crucial for the Swedish system. But why have these types of conflicts increased in some sectors and industries?

Now we come back to the changing structural business conditions. When workers in Sweden meet competition from foreign workers and domestic employees not covered by Swedish collective bargaining, there is a strong incentive to limit this type of competition and this is handled through industrial action, strikes and blockades (Moberg 2006). It is evident from the available data on conflicts and strike activity that those sectors most affected by conflicts concerning collective bargaining is transport and construction services hitherto mainly domestic, but increasingly meeting competition from abroad.

It should be noted, however, that the vast majority of the cases where the unions demand collective agreements that apply to all employers did not lead to an industrial action. According to the National Mediation Office more than 2000 application agreements were signed between 2001 and 2005. Out of those, not more than 50-70 each year, needed further mediation since the parties could not agree. The international dimension in these conflicts has grown. In the 1990s, conflict with a foreign party on collective bargaining was extremely rare – a handful each year – but during the 2000's, they increased substantially in number.

**The conflicts of wages in a new perspective**

Despite the decreasing number, conflicts concerning wages and other working conditions still break out. Globalization may have dampened unions and opportunities for industrial action in general, but not in all industries. Nowadays, the conflict potential is limited in many sectors because of the growing foreign dependency and possibilities for business to outsource or move abroad. The traditional wage disputes are most common in some specific sectors such as electricity, transport and construction.
The previously described trends where there is a growing interdependence between different industrial sectors that lead to a disruptive potential or large workplace bargaining power. That means that employees and unions in services that are extremely essential for the industrial networks, for example electricity and transportation, will therefore have larger incentives to strike in the interests of their members, than others. Opportunity to exploit such conditions is primarily in industries where both foreign and external competition is low, where the costs can be passed on to consumers or taxpayers. In such sectors, we have less incentives for wage-moderation.

So, the new conditions of production also affect the strike pattern. Globalization, increasing competition and the integration of production change the causes and other fundamentals of industrial action. This evolving multidimensional strike pattern makes it more intricate to interpret the data on strikes and it also gives a broad hint that in strike statistics, not only the aggregate and the average matters.
References


SCB, Statistisk Årsbok för Sverige 1903-2005.
Shalev, Michael (1980), "Industrial Relations Theory and the Comparative Study of Industrial Relations and Industrial Conflict" British Journal of Industrial Relations 18, 1980:1, pp. 26–43.