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CHAPTER VII.

THE ANNALS OF SWEDEN.

The kingdom of Sweden consists of the eastern and larger section of the Scandinavian peninsula. It is divided from Norway by a natural boundary of mountains at the north, but at the south, the boundary line often has been shifted. Sweden has a backbone of rugged mountain ranges. Deep river valleys run to the sea, with intervening highlands. The southern end of the peninsula is lowlands and plains. Although the latitude of Sweden is that of Hudson Bay, its climate is much more favorable, due to the salubrious effect of the Gulf Stream.

The total area of Sweden on January 1, 1925, was 173,151 square miles.¹ The census records of population growth have been as follows:

December 31,—	Population ^a	Persons per Square Mile ^b
1750	1,780,678	10.3
1850	3,482,541	20.1
1880	4,565,668	26.4
1890	4,784,981	27.6
1900	5,136,441	29.6
1910	5,522,403	31.9
1920	5,904,489	34.1

^a Sweden Statistiska Centralbyrån, *Statistisk Årsbok, 1925*. Stockholm, 1925. p. 5.
"Population de droit."

^b Computed by means of area given above.

The periods of greatest Swedish emigration were 1867-73 and 1879-93. Since then the numbers have been smaller, though rushes occurred in certain years such as 1902 and 1903. There is a marked tendency towards urban development. In 1850, 10 per cent of the population was urban, in 1900, 21.5 per cent, and in 1920, 29.5 per cent.

Perhaps the best picture of the economic nature of Sweden and its development is obtained from the following table, in which the

¹ Computed by multiplying by 0.3861, data in square kilometers given in Sweden Statistiska Centralbyrån, *Statistisk Årsbok, 1925*. Stockholm, 1925. p. 2.

population is divided according to the industries upon which it depends. The percentages are as follows:

Industry	Percentage of Total Population ^a				
	1880	1890	1900	1910	1920
Agriculture	50	50	46	42	39
Manufacturing, Mining and Construction	11	16	22	28	31
Commerce and Communication	4	6	7	10	13
Other ^b	35	28	25	20	17
Total	100	100	100	100	100

^a Sweden Statistiska Centralbyrån, *Statistisk Årsbok, 1925*. Stockholm, 1925. p. 36.

^b Includes public officials, professional workers, domestic workers, store-keepers, retired persons, and others.

Agriculture still holds its position of primacy, but the notable development during the period has been the steady increase in the proportion of the population engaged in manufacturing, commerce and communication.

Although the acreage of land under cultivation is slowly increasing in Sweden, it has not yet included one-tenth of the total area, and nearly sixty per cent of the total area is occupied by forests. The most important crops are oats, rye, and barley, in the order named. In addition to noting the results of these three crops, the annals give a general statement for all crops, based upon the "index of harvest" computed each year by the Swedish Central Bureau of Statistics. Annual records of the total agricultural income, compiled by the same Bureau, form the basis for statements concerning the return to farmers.

Mining is one of the oldest economic activities of Sweden. Prior to the development of modern methods of smelting, Sweden was the leading iron producer in Europe. The mining of iron ore is still important.

The growth of manufacturing in Sweden has already been noted in the discussion of the occupations of the workers. This activity is not concentrated in a few industrial centers, but factories are spread fairly well over the entire country. In 1923, there were 10,990 manufacturing establishments employing 358,083 workers. Of special importance is the production of lumber, wood products, and paper, and the manufacture of complex machinery.

The foreign trade of Sweden has grown steadily. Since 1855, imports have exceeded exports except for the war years, and 1922.

The leading imports are coal, iron and steel, and wheat; the more important exports are lumber, wood pulp, and machinery.

Railway building began late in Sweden, but once begun, it progressed rapidly. Official records are as follows:

December 31,—	Miles of Railroad ^a
1880	3,651
1890	4,982
1900	7,023
1910	8,593
1920	9,420

^a Computed by multiplying by 0.62137, data given in kilometers in Sweden Statistiska Centralbyrån, *Statistisk Årsbok, 1925*. Stockholm, 1925. p. 169.

In 1924, the government owned 37 per cent of the total railway mileage. It should be remembered that Sweden has always been able to carry on a large part of her domestic trade by water.

The Riksbank, or Bank of Sweden, is the bank of issue, and is a government owned central bank. In addition to being a bank for rediscount, it does a general banking business. There were ten private banks and 23 joint-stock banks, on January 1, 1925, performing the regular banking functions, except the issuing of banknotes, which is done by the Riksbank.

Beginning about 1860, Sweden entered upon years of vigorous development. Since that time, there have been periods of slackened growth, but the tendency has been continually one of expansion. Bad harvests in 1866, 1867, and 1868 brought with them a state of depression which lasted to 1870. A period of extremely rapid expansion set in, and continued until 1878, when a recession of activity occurred. The period from 1879 to 1887 was, except for short intervals, a period of stagnation and severe agricultural depression. A gradual improvement was evident late in the decade and 1890 can be considered a prosperous year.

1890 Prosperity.

Increasing activity and expansion; commodity prices rise; slight increase in foreign trade.

Money tightens.

Excellent harvest, especially barley and oats; some decline in prices.

- 1891 Prosperity.
Continued activity; expansion of merchant marine; commodity prices reach peak; decline in imports but large increase in exports.
Money tight.
Fair harvests, rye improving but oats and barley smaller; larger return to farmers.
Political crisis, July.
- 1892 Recession; mild depression.
Gradual decline to dullness; sharp decrease in commodity prices; smaller imports; rate of increase of exports slackens.
Money easier.
Record harvests; excellent return to farmers.
Political disturbances; large emigration.
- 1893 Depression.
Some improvement in volume of domestic business but marked decline in foreign trade; commodity prices lower.
Money easy.
Poor crops except for record rye yield; decline in farmers' return.
- 1894 Mild depression.
Dullness continued; home trade inactive; further decline in commodity prices; some revival in imports but diminished exports.
Money easy.
Good crops, rye failure; marked reduction in farmers' return.
- 1895 Revival.
Decided improvement and increase in industrial activity; commodity prices reach bottom; revival in export trade.
Money easy.
Crops fair; oats and barley excellent, rye very poor; return to farmers still low.
Controversy with Norway over flag and consular service.
- 1896 Prosperity.
Improvement in trade and industry; slight rise in commodity prices; foreign trade booms.
Money extremely easy.
Good crops except oats; some improvement in return to farmers.

- 1897 Prosperity.
Continued activity and expansion; further rise in commodity prices; increase in foreign trade marked.
Money tightens rapidly.
Good harvest; further improvement in position of farmer.
- 1898 Prosperity.
Activity and expansion with full employment; speculation; commodity price rise accelerated; large increase in imports, exports decline.
Money tight.
Excellent crops, except rye only fair; further increase in return to farmer.
- 1899 Prosperity.
Great activity and industrial development; real estate boom; rapid rise in commodity prices; very active foreign trade.
Money tight, with occasional stringency.
Very poor crops, oats and barley failures; marked reduction in return to farmers.
Prince Gustavus acts as regent for Oscar II, January to May; difficulties with Norway finally adjusted.
- 1900 Prosperity.
Continued activity and progress, but signs of uneasiness; wild speculation leads to crisis in wool industry; less activity in promotion of new enterprises; commodity prices reach peak; big expansion in foreign trade.
Money very tight.
Excellent crops with very large return to farmers.
- 1901 Recession; depression.
Gradual decline to stagnation; marked decline in manufacturing; commodity prices fall; foreign trade severely restricted.
Money tight, easing somewhat.
Poor harvest and reduction of return to farmers.
Drought.
- 1902 Depression.
Dullness in home industry; slight further decline in commodity prices; many failures; foreign trade revives.
Money eases.
Poor harvest, especially barley; crop failures in northern territory; poor return to farmers.
Famine in northern districts.

- 1903 Revival.
Steady and slow progress; rapid revival and expansion in iron industry; fall in commodity prices halted; foreign trade very active.
Money easy.
Good crops; improved income to farmers.
Emigration reaches peak.
- 1904 Mild prosperity.
Very slow improvement; little unemployment and a few labor difficulties; commodity prices slowly rise; increase in imports, but decline in exports.
Money easy.
Very poor harvest, especially oats; decrease in return to farmers.
- 1905 Prosperity.
Marked improvement in trade and industry; further rise in commodity prices; big increase in exports.
Money easy.
Fair harvest with larger return to farmers.
Diplomatic crisis with Norway, April, and union dissolved, June.
- 1906 Prosperity.
Continued upswing of industry, except coal; speculation; rapid rise of commodity prices; foreign trade boom.
Money tightens.
Large harvests, especially rye; very favorable return to farmers.
- 1907 Prosperity; recession; panic.
Continued activity to autumn, when decline sets in; prices rise, first half-year, and then decline rapidly; many failures late in year; very active foreign trade.
Money very tight; financial panic, December.
Fair harvest, rye and barley poor; good return to farmer.
Gustavus V accedes to throne upon death of his father, December.
- 1908 Depression.
Continued decline to stagnation; increased unemployment; sharp fall in commodity prices; foreign trade severely restricted.
Money tight.
Record harvests; increased return to farmers.
Distress among working classes.

- 1909 Depression.
Dullness continued, first half-year; strikes, May; slight improvement checked by general strike, August, lasting several months; further decline in volume of production; fall in commodity prices checked; increased import but decline in export trade.
Money eases.
Good crops, but some decline in return to farmers.
- 1910 Revival.
Improvement in trade and industry; rise in commodity prices; marked revival in foreign trade.
Money easy; private bank difficulties; stock prices begin to rise.
Good harvest, especially oats; improvement in position of farmer.
- 1911 Prosperity.
Calm and healthy advance in home trade; commodity prices rise; foreign trade booms.
Money easy, with financial retrenchment; gradual rise in stock prices.
Fair crops; very large return to farmers.
- 1912 Prosperity.
Great activity and expansion; accelerated rise in commodity prices; great expansion of foreign trade.
Money easy; stock prices reach peak, summer.
Good harvest, especially rye; very large income to farmers.
- 1913 Prosperity; slight recession.
Continued activity; with autumn, slow and gradual decline sets in; little unemployment; slower rise of commodity prices; foreign trade expansion continues.
Money tightens; gradual decline in security prices.
Good harvest, record oats and barley; marked reduction in return to farmers.
- 1914 Recession; depression.
Gradually increasing dullness turns to stagnation with war; marked increase in unemployment; many failures; rapid rise in commodity prices; foreign trade checked with war, favorable balance.
Easy money quickly tightens; moratorium declared; Bank suspends gold payments, August; stock exchange closed, and reopened, November; foreign exchange declines rapidly.
Very poor crops, record rye but barley and oats failures; prices very high.
Swedish neutrality declared.

1915 Revival; prosperity.

Stagnation gradually yields to industrial boom; unemployment disappears; rapid commodity price rise; foreign trade very active.

Money market eases; gradual revival on stock exchange; foreign exchange declines, first quarter, and then gradually improves, going to a premium, November.

Fair crops, higher prices.

1916 Prosperity.

Great activity in industry, hampered somewhat by increasing scarcity of raw materials; much speculation; commodity prices rise rapidly; very active foreign trade.

Money market easy; National Bank of Sweden resumes payments in gold, January; security prices boom; further advance in foreign exchange to May followed by gradual decline.

Good crops; larger return to farmers.

Food rationing begins, October.

1917 Recession.

Decrease in volume of production due to scarcity of raw materials; unemployment appears; extensive speculation; continued price rise, accelerated late in year; reduction of foreign trade, especially imports.

Easy money tightens rapidly late in year; stock prices reach peak, and long period of decline sets in; rapid appreciation of exchange, June to November, followed by sharp decline.

Crop failures; very high prices increase farmers' return.

Food riots, spring.

1918 Depression.

Industry paralyzed by shortage of raw materials; severe unemployment; commodity prices rise to peak, end of year; foreign trade restricted by blockade; depression deepened by Armistice.

Money very tight; great activity on stock exchange, falling prices; foreign exchange remains at high level, first half-year, and then declines.

Crop failures; some improvement in rye; prices at peak; return to farmers at maximum.

1919 Depression; revival.

Severe depression gradually lightens, summer; fuel shortage; labor troubles, with severe unemployment early in year; commodity prices decline to October; marked revival of foreign trade, especially imports, creating unfavorable balance once more.

Money eases somewhat, summer; stock prices decline; exchange falls, passing par in March.

Good crops, but smaller return to farmers.

Government regulations gradually removed; food rationing ends, August.

1920 Boom; recession; depression.

Rapid and feverish activity; employment reaches peak, April, and severe unemployment appears, November; commodity prices reach peak, June, and fall rapidly, last quarter; production reaches peak, autumn; strikes; severe depression by end of year; great increase in failures, last quarter; after feverish activity, foreign trade declines, last half-year.

Money very tight; slight revival of stock prices, spring, and then further fall; gold payments suspended; foreign exchange reaches low point, February, improves in spring, and again declines in autumn.

Good harvests, but smaller return to farmer.

1921 Depression.

Continued contraction of trade and industry to summer; many failures; severe unemployment; commodity prices fall; foreign trade greatly restricted, imports showing some revival last half-year.

Money market eases; dull stock exchange with falling prices to November; gradual improvement in exchange with severe setback, summer.

Fair crops, excellent rye; low prices greatly reduce return to farmers.

1922 Depression; revival.

Continued liquidation, but gradual revival becomes evident by summer; some improvement in employment; commodity price fall halted, spring; increased exports create favorable balance.

Money easy; temporary stock speculation boom, spring; foreign exchange rises gradually to par.

Fair crops; further reduction in farmers' income to very low point.

1923 Revival.

Gradual improvement, hampered by serious labor disputes; lessening of unemployment; fewer failures; further decline of commodity prices; increase in imports returns foreign trade to unfavorable balance.

Money very easy, tightening slightly late in year; decline of stock prices resumed, to November; exchange fluctuates about par.

Fair crops, good rye and poor barley; prices and farmers' income higher.

1924 Mild prosperity.

Continued improvement; few failures; full employment; commodity prices reach minimum, July; further increase in foreign trade.

Money fairly easy; return to gold redemption and export of gold permitted, April; some improvement in stock prices.

Poor harvests; severe failure of rye crop; marked increase in return to farmers; outbreak of hoof-and-mouth disease.

1925 Mild prosperity.

After slackening business activity, first six months, manufacturing improves, especially last quarter; iron and steel industries somewhat depressed; little unemployment; commodity prices decline from peak, early in year, to October; increased foreign trade, smaller unfavorable balance.

Money easier; rising security prices slump, spring and October.

Record wheat, rye, and potato crops; lower prices; much higher return to farmers.